Daily Report

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Contact Group Meets Bosnian Serb Delegation

LD2007134294 Belgrade TANJUG Domestic Service in Serbo-Croatian 1303 GMT 20 Jul 94

[Excerpt] Geneva, 20 Jul (TANJUG)—Talks between contact group experts and the Srpska republic delegation began behind the closed doors of the Russian UN mission in Geneva at 1430 today.

The Bosnian Serb delegation consisting of President Radovan Karadzic, Vice President Nikola Koljevic, Assembly President Momcilo Krajisnik, and Foreign Minister Aleksa Buha arrived in Geneva at 1300. [passage omitted]

Contact Group Sees Serb Response as 'Rejection'

AU2107074094 Paris AFP in English GMT 2228 20 Jul 94

[Excerpts] Geneva, July 20 (AFP)—U.S. negotiator Charles Redman said Wednesday [20 July] the international contact group on Bosnia had interpreted the Serbs' lack of response to the latest peace plan as a rejection which will lead to a "very serious situation." [passage omitted]

"As far as we are concerned, that's our map and we will stick to it," he said.

Sources speaking on condition of anonymity said the other members of the group—Britain, France, Germany and Russia—shared the U.S. view. [passage omitted]

Stoltenberg Views Serb Reaction to Peace Plan

AU2107112894 Paris AFP in English 1118 GMT 21 Jul 94

[Text] Geneva, July 21 (AFP)—UN Secretary General Butrus Butrus-Ghali will be reviewing UN options in Bosnia-Herzegovina, including tougher sanctions, following the Bosnian Serb implicit rejection of a peace plan, UN peace mediator Thorvald Stoltenberg [said].

"We will look at all the possibilities in connection with the follow-up of the present situation, including the good model, the dream of the peace," he told reporters before flying to New York for talks with the UN chief.

Commenting on a possible strengthening of sanctions, he said: "We certainly hope that it will not come to that.

"We hope that we will have a situation where the Serbs will eventually say yes."

EU Grants Aid for Refugees in Former Yugoslavia

LD0907131494 Belgrade TANJUG in English 1232 GMT 9 Jul 94

[Text] Brussels, July 9 (TANJUG)—The European Union has granted an additional 23 million dollars to aid refugees in former Yugoslavia. The office of the U.N. High Commissioner for Refugees (UNHCR) will decide on how the money will be used. According to UNHCR estimates, at least 50 million dollars, or double the E.U. grant, will be needed in July and August alone to help over one million refugees and displaced persons from war-affected areas in Croatia and Bosnia-Herzegovina. Croatia and Bosnia violently seceded from the former Yugoslav Federation in 1991 and 1992, respectively.

European Parliament Endorses Santer as EC Chief

AU2107114994 Paris AFP in English 1144 GMT 21 Jul 94

[Text] Strasbourg, July 21 (AFP)—The European Parliament on Thursday approved Luxembourg Prime Minister Jacques Santer as the new European Commission chief.

The vote was of 260 in favour, 238 against and 23 abstentions and had been predicted as a tight result.

Brioni Declaration Adopted

LD1707120794 Zagreb Radio Croatia Network in Serbo-Croatian 1100 GMT 17 Jul 94

[Text] A joint trilateral Brioni declaration was adopted at a meeting between Croatian President Franjo Tudjman, Bosnian President Alija Izetbegovic, and Turkish President Suleyman Demirel. The meeting was also attended by Herceg-Bosna President Kresimir Zubak. Tihomir Vinkovic reporting from Brioni for Croatian Radio:

The three countries' presidents examined the current situation in the region and the Contact Group's peace plan for Bosnia-Herzegovina. In the joint declaration they urged the international community to put pressure on the Serb side to accept the Contact Group's plan. A request was filed with the Contact Group to ensure the acceptance and implementation of the plan. If the Serb side rejects the Contact Group's plan, the Contact Group and the international community will be asked to respond to the challenge and take all necessary measures to prevent another aggression as well as provide the defenders with means of defense.

Zhulali, Perry Discuss Relations, Cooperation

AU2007183894 Tirana TVSH Television Network in Albanian 1635 GMT 20 Jul 94

[Report by Vjollca Vokshi]

[Excerpts] U.S. Secretary of Defense William Perry arrived in our country today. Perry is the highest-ranking U.S. defense official to come to Albania. Successful in many of his projects and proposals on resolving many international problems, William Perry offers space and new cooperation possibilities to Albania, too.

The arrival of Perry to Albania is an extraordinary event for our country, Minister Zhulali said in an interview several days ago. He was the first to welcome U.S. Defense Secretary William Perry, the highest-ranking U.S. personality to visit Albania since the victory of democracy. [passage omitted]

Ministers Perry and Zhulali and the delegations accompanying them started bilateral talks at the Defense Ministry. They discussed many topics, focusing on the relations in the military field between our two countries.

On his part, Zhulali assessed the great role that the United States has played, through its specialists and cadres, to assist the Albanian Army. Zhulali considered Mr. Perry's visit to be a further step in developing and further strengthening cooperation between the United States and Albania. [passage omitted]

The meetings at the Defense Ministry ended with two press statements by both Perry and Zhulali.

[Begin Zhulali recording] The meeting discussed issues that were of interest for bilateral cooperation and focused on the foundation of a restructured Albanian Army, the development of military education and its democratization, and the support that the United States will provide us. We also discussed various issues of bilateral relations and the regional situation.

I think that the meeting was very sincere and very useful for me. [end recording] [passage omitted]

President Praises Visit

AU2007211294 Tirana TVSH Television Network in Albanian 1800 GMT 20 Jul 94

[Excerpts] Continuing today's meetings, U.S. Secretary of Defense William Perry was received by Prime Minister Aleksander Meksi.

I have the special pleasure to receive you and, on this occasion, I would like to stress the role of the U.S. Army in preserving peace, as well as the U.S. contribution in what we call the transition period, Prime Minister Meksi stated. This period is difficult for us, but with assistance from our friends, among which the United States occupies a major place, we are marching on the proper and necessary road.

Prime Minister Meksi also pointed out that the new democratic Albania has scored positive results during this period and that these results are evident in the economic and institutional reform. Achievements have been fairly apparent in the military reform, too. [passage omitted]

Later, Prime Minister Meksi and U.S. Secretary of Defense William Perry exchanged ideas on problems of the situation in the Balkans, concrete possibilities of bilateral cooperation, etc.

Foreign Minister Alfred Serreqi and U.S. Deputy Secretary of Defense Dr. Crusel were also present at this meeting. [passage omitted]

President Berisha received William Perry in a meeting today.

Your visit to Albania is a remarkable event in the friendly relations that exist between our two countries and armies, President Berisha stated. It marks the beginning of a new and important stage in establishing an all-round cooperation between Albania and the United States in the fields of defense and security. It is also a great encouragement for Albania on the road of reforms and setting up a law-governed state and market economy.

However, I hope indeed that this visit will better acquaint you with the real strategic importance that Albania presents for the North Atlantic Alliance, President Berisha continued. As you know, Albania was the first to request membership in this alliance and Albania was among the first to support the Partnership for Peace initiative as a certain road toward its NATO membership.

Your visit in the region testifies to an increasing role of the United States in establishing peace in the peninsula, cradle of Western civilization, which is presently experiencing the greatest drama that this continent has known since World War II, President Berisha stated to Secretary of Defense Perry. Albania asks assistance and support from the United States and other Western countries to overcome its very difficult inheritance.

I can tell you that of all the countries you visited, Albania was the country where time had stopped for half a century, President Berisha noted. Now that we have become self-sufficient, we expect to receive greater assistance in the economic and military level. Albanians are a people of 7 million, of whom three and a half million live outside Albania's borders. Everywhere the Albanians are, they present an ethnic and geographic continuity and a compact population who lives in its own territories.

We think that the creation of a democratic space, undoubtedly through violence, of the borders, in which freedom is granted to the individual and he is democratized would be a solution not only to their interest, but also to the peace and stability in the region [sentence as heard].

President Berisha continued by saying that with its policy, Albania aspires to be integrated into Europe and pays great attention to good neighborliness with regional countries. In this direction, we are determined to have military cooperation with them. I agree with joint maneuvers of Albania with Italy and the United States, and I consider fully realizable that such maneuvers be conducted with countries like Turkey, Slovenia, Croatia, Bulgaria, and Romania. We could undoubtedly have these manewuvers with Greece, too, noted President Berisha, if the latter would withdraw, to a certain distance and according to the criteria determined in the CSCE, thousands of artillery pieces recently deployed on the border with Albania, something which Greece has not done even in the time of dictatorship. [passage omitted]

Two Serbian Helicopters Violate Airspace

AU2007155894 Sofia STANDART NEWS in Bulgarian 15 Jul p 4

[Text] At 1330 [1030 GMT] on Wednesday, 13 July, two Serbian helicopters violated Bulgarian airspace in the region of Strezimirovtsi and Trunsko, flying 3 km into Bulgarian territory, informed sources told STANDART NEWS yesterday. One of the helicopters carried no recognition markings, while the other was marked with a red cross. The aircraft made no contact whatsoever and returned almost immediately to Serbian territory without causing any further incidents. The helicopters were detected by border guards, who immediately informed the Air Force and the Foreign Ministry. The Air Force informed the border guards that they had also detected the infringement. It is assumed that the two helicopters lost their way, although they flew very low and penetrated a considerable distance into Bulgarian airspace.

According to an unconfirmed report from the ground, one of the helicopters was observed to have something that looked like a machine gun on board.

Air Force Commander General Mikho Mikhov told STANDART NEWS that they know about the incident, but that it did not have the nature of an infringement of airspace.

OSD Deputy Calls on BSP To Form Coalition

AU2007155994 Sofia KONTINENT in Bulgarian 18 Jul 94 p 2

[Interview with National Assembly Deputy Rosen Karadimov, member of the Alliance for Social Democracy in the Bulgarian Socialist Party, OSD, by Svetlana Belousova; place and date not given: "OSD Recommends a Broad Coalition Government of the Bulgarian Socialist Party, Radical Democratic Party, and Democratic Party"]

[Text] [Belousova] Mr. Karadimov, despite the resolutions adopted at the BSP [Bulgarian Socialist Party] congress, the OSD [Alliance for Social Democracy] has come out against early parliamentary elections. What alternative way of solving the crisis is the OSD considering?

[Karadimov] We do not regard the issue of early elections as particularly important at the moment. The OSD is convening an extraordinary conference to consider an extraordinary situation, because the BSP has radically altered its policies since the 41st BSP Congress. Prior to the congress, the party leadership and Zhan Videnov in particular followed a policy of national responsibility (for the first time since 10 November 1989), a policy of supporting the government, giving priority to economic problems over social ones, freeing the legislative process of ideological considerations, and abandoning narrow party interests.

Now one can observe an abrupt about-turn, a return to the rut of the all too familiar policy of the past. They are resuscitating the model of 1990 and 1991, when the BSP was striving to acquire the image of a social party that opposes the party of reform, that is, the SDS [Union of Democratic Forces].

[Belousova] Yet the BSP still declares itself to be a party of the left.

[Karadimov] The BSP is legitimizing itself as a left-wing party not on the basis of the positive actions that it proposes, but in relation to the SDS extreme right.

Now, with the SDS once again facing disintegration, with the members of the Radical Democratic Party [RDP] and Democratic Party [DP] clearly in conflict with the leadership of the SDS National Coordinating Council, it is shameful for the BSP leadership to hold negotiations and seek agreements on early elections and an electoral law with Filip Dimitrov. If they are serious politicians, they might seriously consider concluding an agreement with the DP and RDP on forming a new coalition government. The BSP should itself seek the way to break the bipolar model, because only then will it have a chance of surviving. It is clear that the bipolar model will be swept away sooner or later as far as public opinion is concerned.

[Belousova] Does not this imply departing from the idea of a left-of-center coalition that has been discussed so intensively of late?

[Karadimov] Where is this coalition at the moment, and by what means is the BSP drawing closer toward it?

[Belousova] Surely this premise exists at BSP headquarters?

[Karadimov] Yes, it does, but there are no serious signs that such a coalition exists. Moreover, views have appeared both in the press and in the Commission for Sociopolitical Development claiming that we will form the coalition following the elections. Accordingly, in my view all this is empty demagoguery—the BSP is moving toward legitimizing the bipolar model. If this policy, which is being promoted by part of the BSP leadership, continues, it will lead to new cataclysms in the economy and farming and to new rises in the price of olive oil and everything else. The people who are following this policy should assume responsibility for its consequences.

In my opinion, it is a mark of cynicism for the BSP and SDS to be unable to reach agreement on the foreign debt deal, the defense and armed forces bill, and the Land and Privatization Acts, and yet to understand one another perfectly regarding the issues of elections and preserving the bipolar model.

[Belousova] The BSP leadership has no apparent reasons to accept the warnings that the OSD made at the national conference. What will you do from now on?

[Karadimov] The OSD will not split off from the BSP, because we believe that our faction keeps far more closely to the spirit of the party documents than the practical policies and real attitudes of a large proportion of the BSP membership do at the moment. Accordingly, we will fight for the authenticity of the socialist idea.

Democratic Party Considers Leaving Coalition

AU2007160594 Sofia DEMOKRATSIYA in Bulgarian 14 Jul 94 p 1

[Text] Plovdiv—On 23-24 July, the Democratic Party Supreme Council will discuss whether the party should leave the SDS [Union of Democratic Forces]. "This is a matter of analysis," National Assembly Deputy Khristo Markov said in a statement to the MARITSA newspaper.

At the same time, it has become known that several members of the Democratic Party leadership have deposited their resignations from the posts they hold in the party, in parliament, and in the SDS National Coordinating Council because they disagree with the idea of leaving the SDS coalition. Their final decision will depend on the result of the discussion in the Supreme Council.

Without mentioning the possibility of a split in the Democratic Party, Markov declared that "it is high time for someone in 134 Rakovski Street [SDS headquarters in Sofia] to assume responsibility for the failures and ineffectiveness of the coalition, which is now for all intents and purposes in isolation."

In an interview she gave to Radio Plovdiv on 13 July, Zlatka Ruseva, deputy chairman of the Democratic Party and the SDS parliamentary group, also failed to mention the danger of a split in the Democratic Party. She compared the behavior of the SDS National Coordinating Council (of which she is a member) with the way the Bulgarian footballers behaved in their match with... Nigeria. Ruseva described the stance adopted by the SDS leadership on the matter of implementing the decision of the Sixth SDS National Conference on a parliamentary boycott as "the party's April line" [reference to party line adopted by the former Bulgarian Communist Party]. She is convinced that the SDS National Coordinating Council has concluded a deal with the Bulgarian Socialist Party [BSP], agreeing that the SDS will not obstruct the adoption of important laws if the BSP helps to bring about early parliamentary elections.

Slatinski Leaves Radical Democratic Party

AU2007183994 Sofia Khorizont Radio Network in Bulgarian 1500 GMT 20 Jul 94

[Text] It is impossible for me to remain any longer in the Radical Democratic Party [RDP] as long as it remains part of the organization at 134 Rakovski Street [headquarters of Union of Democratic Forces, SDS], which has exhausted its possibilities and is increasingly working against national interests. So it is with sincere regret that I leave the party, Nikolay Slatinski [chairman of Parliamentary National Security Commission] said in a declaration addressed to the RDP Executive Committee, which has also been presented to BTA.

The declaration further states that it is unfortunately evident that the RDP leaders, willingly or unwillingly, support the doomed policies of the SDS National Coordinating Council. In this way, the party becomes an accomplice, sharing in the downfall of a handful of politicians beset with complexes who have privatized the SDS coalition for their own personal use, Slatinski declares.

Klaus Confirms Omnipol in Arms Talks With Chile

AU2007192694 Prague LIDOVE NOVINY in Czech 19 Jul 94 p 2

[Article by "(has, ce)": "The Czech Republic Wants To Export Arms to Chile"]

[Text] Prague—Negotiations between the Omnipol company and the Chilean side on the possibility of supplying our arms have long been taking place with the agreement of the appropriate Czech bodies and are not at variance with the interests of the Czech Republic. Prime Minister Vaclav Klaus (Civic Democratic Party) made this statement in his reply to an interpellation from Deputy V. Votava (Communist Party of Bohemia and Moravia). The recent visit by a Chilean delegation, led by the supreme commander of the Chilean Armed Forces and the former dictator, Augusto Pinochet, represented, according to Klaus, only one of the stages of these negotiations. The prime minister also explained that it is the sovereign right of the Chilean side to appoint the head of its delegation. Therefore, it is apparently impossible to exert pressure on the Omnipol company to break off further negotiations.

Article Views Attempts To Export Arms Illegally

AU2007193894 Prague MLADA FRONTA DNES in Czech 19 Jul 94 p 1

[Article by Jaroslav Kmenta: "Firms Are Attempting To Export Arms Even to the Countries Banned by the Embargo"]

[Text] Prague—Although the Czech Republic joined the international embargo on the supply of arms to the countries of former Yugoslavia, at least two Czech firms attempted within the past two years to illegally export military material to Bosnia and Croatia. Several other firms endeavored to supply arms to the countries of the former Soviet Union and to Africa.

In addition to the well-known instance of last year, when weapons from the Czech arms factories were to end in Bosnia instead of Panama, as declared, the authorities prevented the Brno firm KEI from shipping arms to Croatia. Although the weapons were to reach the embargoed country two years ago, nothing has ever been published about the occurrence.

The firm KEI obtained a permit to export 10,000 submachine guns and 20,000 pistols to Mexico. Intelligence services discovered, however, that these arms were to travel through Italy to Croatia. The Brno firm, which no longer exists, actually attempted twice to get them across the Czech-Austrian border and failed in both attempts. In the end, its license for the export of arms to Mexico was withdrawn. At the same time, it was rejected as one of the leading candidates for the supply of arms for the Czech Interior Ministry.

Bretislav Gregr, director of the License Department of the Industry and Trade Ministry, which issues arms trade permits, believes that Czech firms are victims of fraud by their foreign partners rather than intentionally attempting illegal exports themselves.

"We have even registered an instance when the firm that wanted to deal in military material withdrew its application after we reported that the proposed deal seemed peculiar to the security units," he said.

Stanislav Devaty, director of the Security Information Service, refused to comment on this information. He said only that counterintelligence has prevented numerous attempts at illegal exports of arms.

An intelligence officer who wishes to remain anonymous said that certain Czech companies had even attempted the illegal export of nuclear material to the countries of the former USSR. He would not even rule out the possibility that, in addition to French, Egyptian, and South African arms, Czech military material also reached Rwanda, where a civil war is raging.

KDU-CSL Statement on Government Coalition

AU2007192594 Prague CESKY DENIK in Czech 19 Jul 94 p 3

[Statement issued by Christian and Democratic Union-Czechoslovak People's Party, KDU-CSL, in Kolodeje on 14 July; from the "Document" column: "Halftime of the Government Coalition"]

[Text]

1. Review of the Past Period

Favorable tendencies dominate in the development of the state; the coalition government policy statement is basically followed. Among the most significant successes are the following:

—the establishment of a new Czech state following the partition of the federation;

—the maintenance of the direction and implementation of other significant measures of the economic transformation without social shocks in the society (macroeconomic stability, declining inflation, balanced budget, development in the balance of payments and trade, reform of the taxation system, growing share of the nonstate sector in the GDP generation....);

—the laying of foundations for the integration of the Czech Republic into the structures oriented toward European and world cooperation.

The coming period requires that the attention of the coalition focuses more on those intentions of the policy statement, the fulfillment of which preconditions the reinforcement and acceleration of the development of the Czech Republic in the economy as well as in the spheres surpassing the economy.

2. Priorities of the Coalition Government

The coalition partners are aware of the fact that the coalition was established by an agreement of four right-wing parties on the basis of a joint policy statement that includes jointly proclaimed priorities, and they intend to continue with these priorities.

3. Practice of Coalition Cooperation

To succeed in their endeavors, the coalition partners agreed, in accordance with and referring to the coalition agreement in effect, that it is desirable to increase the number of coalition meetings, with the objective to reach a coalition accord on as many issues as possible.

The coalition partners confirmed that they will convene in a session if one of the partners so asks.

Issued in Kolodeje on 14 July 1994

Authenticity verified by: Eng. Josef Lux, KDU-CSL chairman

June Consumer Price Figures Released

AU2007155794 Prague HOSPODARSKE NOVINY in Czech 19 Jul 94 p 7

[Report by Department of Price Statistics and Foreign Trade of the Czech Statistical Office: "Consumer Prices and Cost of Living in June"]

[Text] The month-to-month increase in consumer prices reached 0.7 percent in June. Thus, it was somewhat higher than in the preceding months. It was particularly the increase of prices of food products and services—1.2 percent and 1.1 percent, respectively—that was responsible for this rise. Prices of public catering rose 0.4 percent, and of nonfood goods only 0.3 percent.

The increase of prices of food in June in comparison with May was caused, above all, by the growth of prices of meat and meat products—1.3 percent on average, with prices of beef rising the most (almost 5 percent), followed by poultry (2.7 percent)—and by the prices of certain kinds of fruit and vegetables. On the other hand, the price of eggs continued to drop (6.9 percent), while the price of sugar declined slightly (1.0 percent), as did the prices of flour (0.5 percent) and fats (0.2 percent).

The increase in prices of services reflects the increase in the prices of electricity and natural gas by 10 percent, on average. The effect of the tourist season can be seen in the increase of the prices of vacations (3.1 percent) and accommodation (2.2 percent).

The 0.5 percent price increase in restaurant catering was caused by the 0.8 percent increase in food prices. The prices of company catering rose 0.3 percent.

In nonfood goods, the largest price increase was registered by solid fuels (1.3 percent). The growth in the prices of nonfood goods was so moderate because of the stagnation in prices of hygiene, health-care, household, and toiletry products, cultural needs, tobacco products, and construction materials.

On the whole, over the first half of 1994 (June in comparison with December 1993), consumer prices rose by 4.0 percent, of which the prices rose almost equally in food products (2.5 percent), public catering (2.7 percent), and nonfood goods (3.0 percent), while in the services, because of the increase in the prices of particularly rent, heating, water, sewage, garbage removal, power, and natural gas, the increase reached 10.7 percent.

In a year-on-year comparison, consumer prices rose in the first half of 1994, as compared with the first half of 1993, by 9.7 percent. The average annual rate of inflation expressed by the annual sliding average of the summary index of consumer prices (the average from July 1993 to June 1994 against the average of the preceding 12 months—i.e., from July 1992 to June 1993) amounted to 14.5 percent. The development of consumer prices in June was also reflected in the growth of the cost of living in pensioner households by 1.1 percent, white-collar worker households by 0.8 percent, and farmer households by 0.7 percent.

ΩAgricultural Problems, Outlook Examined

94P20999A

[Editorial Report] The extent to which Czech agriculture is privatized and the financial problems facing Czech farmers, as well as prospects for improvement in their situation, were discussed in several recent newspaper articles.

Privatization has progressed more rapidly in Czech agriculture than in the industrial sectors of the economy. Eighty-five percent of all agricultural land is now farmed by private organizations and individuals, with only 15 percent still under the control of state farms, according to Agriculture Minister Josef Lux. Lux was quoted by the 21 May RUDE PRAVO as saying that the private sector now accounts for 77 percent of all agricultural production, while the comparable figure for Czech industry is only 39 percent. Lux added that, unfortunately, most Czech farms (approximately 56 percent) are currently operating at a loss and that total losses for the agricultural sector amounted to 10 billion Czech korunas [Kc] in 1993. Lux traced the farmers' losses to the fact that producer costs have risen faster than food prices. Writing in the 11 June LIDOVE NOVINY, journalist Jiri Psenicka sees an additional cause for the financial problems of the farmers in the current overproduction of certain foodstuffs in excess of demand, a situation for which farmers were not prepared by their experiences under the Communist quota system.

Sharp reductions in the number of farm jobs have made the agricultural sector the largest single contributor to Czech unemployment, according to the 6 June LIDOVE NOVINY Economic supplement. Most of those who

have lost their agricultural jobs are unskilled female workers, although some skilled mechanics and agricultural-school graduates have also been affected.

On a more optimistic note, journalist Jana Francikova predicted that the benefits of the privatization process should become more apparent this year, with a reduction in farm losses (HOSPODARSKE NOVINY, 7 June). She pointed out that this would continue a trend started last year, when total losses dropped to Kc10 billion from Kc13 billion in 1992. She noted that, while state-owned farm losses increased from approximately Kc4,000 per hectare in 1992 to more than Kc11,000 in 1993, losses for private farms were cut from almost Kc1,400 per hectare in 1992 to approximately Kc400 in 1993.

Police Report Mild Success in Narcotics Fight

LD2007172094 Prague Radiozurnal Radio Network in Czech 1600 GMT 20 Jul 94

[Excerpts] To date, the antidrug unit of the Czech police has made 125 arrests, involving 217 people, 18 of those being foreigners. The police have discovered 150 kg of heroin and approximately 20 kg of cocaine. Ales Hermanek reports:

[Hermanek] According to Jiri Komorous, director of the criminal police unit drug center, these figures bear witness to the continually worsening narcotics situation in our country.

The Czech Republic is gradually becoming a target country for international drug gangs, who, to date, have been offering their goods at cut-rate prices in order to develop future markets. [passage omitted]

The police have also discovered and destroyed 33 laboratories and 21 drug-production centers, in which a specifically Czech drug was being produced: pervitin. The largest operation performed by the anti-drugs center was Action Madrid, which recently ended. This involved nine perpetrators who smuggled drugs through the Czech Republic to Spain, Germany, the Netherlands, and Norway. [passage omitted]

HZDS Deputy Chairman on Possible Coalitions

AU2007194094 Bratislava SMENA in Slovak 18 Jul 94 pp 1, 11

[Interview with Sergej Kozlik, deputy chairman of the Movement for a Democratic Slovakia, HZDS, by Alena Melicharkova; place and date not given: "A Bigger Peg in a Smaller Hole"]

[Excerpt] [Passage omitted] [Melicharkova] If the Movement for a Democratic Slovakia [HZDS] were to achieve a convincing result [in the election], which entities are close enough to it on the political scene that it could form a possible governing coalition with them?

[Kozlik] We are making no secret of the fact that, for us, a convincing result would be to achieve more than half the seats in parliament. This is paramount. However, it does not mean that we would not be interested in looking for coalition partners. We can influence developments in Slovakia more only if we have a majority. Nevertheless, we would also seek coalition partners if this were the case because it is necessary to finalize the political system in the Slovak Republic and take certain steps in the Slovak Constitution. Relations within the president-parliament-government trio have not been completely resolved and clearly defined. If we were not to achieve a majority, it would be necessary to seek coalition partners automatically. The Slovak National Party is our traditional coalition partner. As far as relations with the Party of the Democratic Left [SDL] and the Christian Democratic Movement are concerned, the well-known factor of the attitude of these parties' leaderships toward their membership base comes into issue here. I think that, at the moment, the HZDS is the most compact political entity because it has already gone through an internal catharsis. In essence, it has been cleansed—what has gone is gone. The leadership's association with the membership base is clear. On the other hand, as we are becoming aware in the districts, there is a certain lack of understanding within the SDL for what is happening in the leadership, for the direction in which the SDL leadership is heading. For example, a lack of understanding for why the left helped the relatively weak and diffused right to come to power. It now has a majority in executing power.

[Melicharkova] We were talking about possible coalitions....

[Kozlik] There is a liking for a possible coalition within the structure of the SDL membership base, but, because Mr. Weiss says he is unwilling to enter into a coalition if Mr. Meciar is to be his partner, it is impossible to seek a coalition relationship. If Mr. Carnogursky goes around Europe and says in advance that, should the HZDS and Meciar win, an undemocratic situation will arise again here, and if, in so doing, he uses strong rhetoric, this again goes against the interests of the Slovak Republic because this is no longer opposing the HZDS but is harming the interests of the Slovak Republic. Such arguments should not be made outside. After all, there is a kind of historical experience here because the HZDS has behind it a history of governing in an independent republic. The stance of the parties around us determines coalition relations. I think that, on the basis of the election results, a relatively major change will take place after them in some parties.

[Melicharkova] You have mentioned the HZDS chairman, whose recent appearance on the "Kroky" television program was apparently the subject of harsh criticism within the movement. It is rumored that the leadership is considering a different candidate for the post of prime minister following possible electoral success. That candidate should apparently be you...

[Kozlik] There was no criticism of Mr. Meciar's appearance within the HZDS. Today, when we appear in the mass media against political power play, no matter who it is, these are incredibly stressful situations. It would not be right to reproach each other for certain actions and make each other nervous. I think that, during the course of two years, we have undergone such development that we understand each other. There is no idea of my replacing Mr. Meciar. Every political party has to bank on its personalities, and Mr. Meciar is the HZDS's biggest personality. I believe that this is indubitable, and I think that he is also the biggest personality on the Slovak political scene. So, any such speculation that I could become prime minister is somewhat premature.

[Melicharkova] What are your relations like outside of work?

[Kozlik] They are like those of colleagues. I would not place them on a par with family relations. Meciar is a person capable of adopting a kind of paternal attitude toward those around him, even toward those older than he is. I would say that ours is a relationship between associates. [passage omitted]

Meciar's Postelection Status Viewed

94CH0323A Bratislava NOVE SLOVO BEZ RESPEKTU in Slovak 20 Jun 94 p 2

[Commentary by Emil Polak: "Rekindling a Smoldering Fire"]

[Text] We hear ever more often assertions that not much will change in Slovakia after the election. There will be basically the same ratio of forces in the parliament as there is now. These are not just the views of journalists or political scientists. Recently, President Michal Kovac spoke to that effect, and, in the NOVE SLOVO club, Ivan Gasparovic, chairman of the National Council of the Slovak Republic, said the same thing.

What is the coming election all about, then? And what will come after it?

Let us remind ourselves that Vladimir Meciar's victory in the previous election meant the division of the former federation. We can also take it as a kind of rejection by

the Czechs: Because you Slovaks did not listen to us and voted your own way, suffer the consequences. Many began to feel uncomfortable in Slovakia, and some even actually emigrated, at least to Prague. The Slovak voter had all kinds of labels and insults bestowed on him by his own intellectuals because it cannot be otherwise; when they curse the results of the election, when they curse Meciar, they also curse the voter. He is the bonehead who elected him....

Let us say that the result of the election will indeed be approximately the same. Who can then break off from whom yet again? And where could all those anti-Meciar people go? And what help will it be to anybody if the intellectual elite curses the Slovak voter from left to right? And it would help us the least if, this time, the longed-for Europe were to reject us. Nor have we yet heard that these intellectuals, in spite of their different ideologies and interests, got together and went to complain about their voters to the Council of Europe. There they would certainly commiserate with them, but it would change nothing about the result of the election because it is no use. In a democracy, precisely this voter is sovereign at least in the election. It is just that somehow it takes a Slovak voter a terribly long time to learn to vote the way he is expected to....

Therefore, there will be a number of questions. Will Vladimir Meciar change, and will it be possible to "get along with him"? Or will the leaders of the other parties change, and will it be possible to "get along with them"? Or will the game continue? Who will get the better of whom? And will the longed-for political stability, as well as the period of some kind of economic growth that is linked to it, remain beyond the horizon?

It is difficult to pick the correct answer today, but one thing is certain: A large part of the Slovak electorate thinks that the only just one among the collection of politicians is Vladimir Meciar. If the early election brings a result similar to the last one, it will again be obvious what was obvious before, that only Vladimir Meciar can cure the Slovak voter of this illusion because, if other politicians try to do it, it will be like blowing air into a smoldering fire that then flames up with new force. As is becoming apparent, the early election could turn out to be a pretty strong blast of air.

Horn Meets Leader of Hungarian Romanians

LD2007164494 Budapest Kossuth Radio Network in Hungarian 1600 GMT 20 Jul 94

[Text] In the government's policy on minorities beyond the borders, Gyula Horn promised a change not of direction but of style. The prime minister has held a meeting with Bela Marko, chairman of the Hungarian Democratic Union of Romania [HDUR]. Dora Adorjan reports:

[Adorjan] At the discussion, Gyula Horn assured Bela Marko that the government will continue to consider extremely important the protection of the rights of the Hungarians beyond the borders, including in Transylvania. So, there will be no change of direction in foreign policy, only a change of style, at the most.

The head of government said that in the elaboration of the (?planned) Romanian-Hungarian Basic Treaty, they would wish to take the HDUR's opinion into consideration to the greatest possible extent, and that their basic objective in concluding the treaty was the guaranteeing of the borders and the parallel settling of minority issues, including also the codification of the necessary guarantees.

The financial support of Hungarians beyond the borders was also raised. The prime minister and the HDUR chairman agreed that the support must not be influenced by party political points of view. At the same time, the moneys that are to be spent on this must be made more open to inspection.

Bela Marko said that those sections of the government program—sent to them by Gyula Horn—that deal with the minorities, in their opinion do contain the guarantees that the HDUR considers particularly important.

The HDUR chairman said he was convinced that the new government and the HDUR will be able to cooperate in an appropriate and creative maner.

President Appoints New TV, Radio Heads

LD2007132494 Budapest Kossuth Radio Network in Hungarian 1300 GMT 20 Jul 94

[Text] President Arpad Goncz has signed the appointments of the leaders of Hungarian Radio and Television.

The head of state, at the proposal of the prime minister, appointed Adam Horvath chairman of television and Janos Sziranyi chairman of radio. At the same time, Goncz relieved Elemer Hankiss [TV] and Csaba Gombar [radio], the former media leaders, of their posts.

President Requests Impartiality

LD2007172994 Budapest Kossuth Radio Network in Hungarian 1600 GMT 20 Jul 94

[Excerpts] Today, President Arpad Goncz appointed the new chairmen of Hungarian Television and Radio. [passage omitted]

Robert Kotroczo reports from parliament:

[Kotroczo] What I have been fighting for two and a half years—the replacement of chairmen by chairmen—has now taken place, Arpad Goncz said. The president said he hopes that the appointments will put an end to the media war once and for all. He asked the new chairmen of radio and television to be unshakably impartial and consistent. Arpad Goncz pointed out that in the course of their work the chairmen will harm interests; therefore they will need courage, but this has to be done in order to create an unbiased national television, and certain steps cannot be avoided.

The president thanked Csaba Gombar and Elemer Hankiss—relieved of their posts today—for setting an example of citizens' independence and defending their unjustly slandered colleagues.

Television Chairman Adam Horvath said that first of all he would like to assess the true situation in television and only then will he decide on changes in programming structure. According to the television chairman, at the moment Hungarian television is overpoliticized, and this state of affairs must be terminated.

Radio Chairman Janos Sziranyi considers his ultimate task the rehabilitation of the defamed radio employees.

TV, Radio Chiefs Speak

LD2107093694 Budapest MTV Television Network in Hungarian 0445 GMT 21 Jul 94

[Excerpts] Yesterday, President Arpad Goncz signed the proposal for the appointment of media heads. [passage omitted]

[Begin recording] [Unidentified correspondent] What are the first steps that you plan to take at television, for there has been mention of a change of structure, a transformation in the past, too?

[Adam Horvath, new head of Hungarian Television] It would be over ambitious to speak about details of a change of structure or transformation just after the appointment. I think that first the situation there should be studied. I would like a television station that serves the public first and foremost. I am strict about accuracy, truthfulness, and enthusiasm. However, I am just a member of the TV team, and I know that the work is done by teams. I would like to be, and to remain, a team member.

[Correspondent] What steps are you planning, and when, regarding the matter of the dismissed radio employees and the programs that were terminated?

[Janos Sziranyi, new head of radio] [passage omitted] A leader should create a good situation for all staff members who are talented and are much better at their profession than the manager who is in charge of their affairs. There is no question of any purge. It makes no sense and there is no reason for it. [end recording]

MSZP Deputy Chairman on Party, Tasks

AU2007193694 Budapest NEPSZABADSAG in Hungarian 20 Jul 94 pp 1, 10

[Interview with Gyorgy Janosi, deputy chairman of the Hungarian Socialist Party, MSZP, by Peter Vajda and Tibor J. Keri; place and date not given: "The MSZP Can Avoid the Fate of the MDF"]

[Excerpts] [Passage omitted] [NEPSZABADSAG] With the formation of the government, the national center of the Hungarian Socialist Party [MSZP] has become empty, because almost every party leader received a government or parliamentary function. Do you think that the MSZP will suffer the fate of the Hungarian Democratic Forum [MDF] in 1990? How do you envisage the future of the MSZP?

[Janosi] It is true that a considerable number of party leaders received government and parliamentary roles after the major election victory. These are positions that make it physically difficult to also deal with party matters. In many cases, however, accepting direct party policy activity is also incompatible politically. The MSZP will hold its congress in the coming autumn, and it will obviously decide on the mechanism and structure of further activity; I am convinced that we must not wait until then with solving certain issues, like the rebuilding of the apparatus and the national center. We need talented young people. [passage omitted]

[NEPSZABADSAG] It was often said during the election campaign that the old cadres would return in the case of an MSZP election victory. Looking at the biographies of the socialist deputies, it transpires that almost everyone filled some kind of a position in the apparatus of the former Hungarian Socialist Workers' Party [MSZMP]. Do you think these people desire revenge?

[Janosi] This is a complex question. The MSZP has always endeavored to be an open party that everyone can join, and it did not want to evaluate and set out ethical-moral norms. There was only one important criterion, namely to accept the program and the spirit of the party. The time has come to put an end to dwelling on the past. The party and the government would commit a big mistake if they continued to look in the past and seek points of identification and distance. Hungary is in a situation in which one can only look forward. Everyone must realize that no matter how the past is regarded, the overwhelming majority of the 800,000 MSZMP members carried out honest work in any apparatus. They cannot be blamed for the distortions of the 40 years preceding the change in the regime. Today's parliamentary deputies do not engage in nostalgia and do not desire revenge, but they freely accept their leftist ideas. [passage omitted]

[NEPSZABADSAG] What is your opinion about the separation of the function of prime minister and the function of party chairman?

[Janosi] There are a lot of arguments in favor of leaving these two functions together, but there are also arguments against this. It is true that the Western European examples regarding the socialist and social-democratic parties show that the two functions can be preserved together. The fact that the new government is facing a very tough time also speaks in favor of all this. We are aware of the forced measures that must be taken, because the public burden cannot be spectacularly reduced in the next period either. In this difficult situation, it is a natural endeavor to have the party, the parliamentary group, and the government operate in an integrated form. [passage omitted]

[NEPSZABADSAG] Do you think that, because of the forced measures, the current coalition will suffer the same fate as the MDF in 1990, namely that it will lose the local government elections?

[Janosi] One of the guarantees against this possibility is that we formulated realistic promises that can be fulfilled. If something goes wrong, we will have to present the government's financial possibilities and limitations to the public, openly. Sincerity always strengthens the agreement. We will definitely keep our promises regarding the support of the strata most in need. Therefore, I do not think we will have the same fate as the previous coalition in the local government elections in 1990. [passage omitted]

Conservative Weekly To Begin Publication

AU2007160094 Budapest MAGYAR HIRLAP in Hungarian 20 Jul 94 p 4

[Text] The variety of domestic publications is expected to increase at the end of August with a conservative national weekly called UJ DEMOKRATA [NEW DEMOCRAT]. Andras Bencsik will be the chief editor of the new weekly, and the staff will be made up of the journalists of PESTI HIRLAP, which recently ceased publication. Andras Bencsik said that they want to publish a conservative weekly that preserves the spirit of PESTI HIRLAP. The weekly will be published by a company recently set up and financed by domestic private entrepreneurs. According to the plans, the new weekly will appear in 50,000 issues at the end of August. The financial basis for the publication is currently guaranteed for six months. Bencsik said that they are aware of the financial risks involved but, according to their calculations, this venture could be profitable.

Foreign Minister on U.S., Europe, Russia

WS2107104594 Poznan WPROST in Polish 24 Jul 94 pp 13-14

[Interview with Polish Foreign Minister Andrzej Olechowski by Piotr Gabryel; place and date not given: "A Step Toward Europe"]

[Text] [Gabryel] Mr. Minister, during the U.S. President's visit to Warsaw, you made a declaration, while recalling a recent unequivocally positive statement by French Prime Minister Eduard Balladur regarding our integration into NATO, that Poland still has to convince 15 NATO member states. Do you include Bill Clinton among those who still need to be convinced?

[Olechowski] The United States very strongly supports the idea of expanding NATO, but no decision on Polish membership has been made, although I have a feeling that it is approaching.

[Gabryel] A day after President Clinton's visit, you met the German president, the chancellor, and the foreign minister. Do German authorities need to be convinced as well?

[Olechowski] My view is that Chancellor Helmut Kohl is one of the biggest supporters of Polish membership in the European Union [EU] and NATO.

[Gabryel] So, who among the remaining 14 chiefs of NATO member countries will be the easiest to convince, and who will be the most difficult?

[Olechowski] I suggest that we take a look at a table that was recently printed in WPROST, which demonstrates the degree of public support in individual EU countries for the idea of including the Visegrad Group countries in the EU (which I think is probably the same, more or less, as describing the views of our membership in NATO.) I also think that the WPROST data probably correspond with the views of political classes and governments, which, after all, are largely guided by social sentiments.

[Gabryel] We have a year of German and French chairmanship of the EU ahead of us, while Germany and France are probably our two biggest allies in our efforts to become members of the EU, the Western European Union [WEU], and NATO. How does Poland intend to use the time period?

[Olechowski] Germany has been the strongest in expressing the idea that Poland should be an EU member. Chancellor Kohl even used a nice metaphor when he said that Germany is aware that the eastern corner of the European house is still not stable, that it is shaky, and that that is why the whole building is in question. So, during the German presidency, I would like to stress the issue of perceiving Poland as a future and stable EU member. I repeat: I said "perceiving Poland" because formal decisions on our joining will definitely not be made before 1996. During the French presidency, on the other hand, I want to resolve the issue of Polish agriculture as much as possible.

[Gabryel] German Foreign Minister Klaus Kinkel has described Germany as an advocate of Polish interests in the EU. Do you really trust advocate Kinkel, given that not so long ago he was clearly opposed to ideas of a speedy rapprochement between Poland and Western structures as expressed by Defense Minister Volker Ruehe?

[Olechowski] I do not think there are any differences between chief German officials when it comes to strategic goals. There could be some differences regarding dates, but these would be about a year or two at the most. In any event, it was not the first time Minister Kinkel said that Germany is Poland's advocate in West Europe, and we trust the advocate. To me, a statement made by Prime Minister Balladur was also very important. He said that his country also regards itself as a spokesman of Polish interests. I think the statement proves that the French position on our case, which had not been very clear up to now, has become more clear, and that that is why my hopes for the joint German-French presidency are very high.

[Gabryel] Are you trying to provoke government heads and foreign ministers of "the Twelve" to vie with each other regarding "the Polish case"?

[Olechowski] You mean like whose price will be lower, or whose service will be better? No, that is not the point. I have been repeating for a long time, however, that we are very eager to see close French-German cooperation regarding Poland's integration with Western economic, political, and military structures. We also want to prevent even the shadow of suspicion that our case could make France become at odds with Germany in any way. On the contrary, cooperation between the two countries, including cooperation in the interest of Poland, is something much more than a simple aggregate of one plus one. The net result is much, much bigger than that.

[Gabryel] You admitted that no decision has been made by Washington yet regarding Poland's joining NATO. So how would you describe the goal of President Clinton's visit to Warsaw?

[Olechowski] We have not just been talking to the United States about our NATO membership. The issue of the country's security is much more complex.

Bill Clinton visited Poland to say two things: first, that the United States keeps its commitments—NATO will be expanded—and, second, that the United States is beginning consultations with its partners regarding the mode, scope, and timing of the undertaking. President Clinton also disclosed that the mode, scope, and timing I am talking about will be determined next year. That was a very important declaration, which, as far as we could figure out from foreign reports, was a surprise to even some U.S. allies.

[Gabryel] But the very same Bill Clinton made a declaration shortly before coming to Warsaw that a reunification of Russia, Ukraine, and Belarus would be acceptable to the United States, provided it took place on the basis of democratic elections. Does that bother you?

[Olechowski] President Clinton did not say anything different from what I am saying. For instance, during my Sejm speech, I indicated clearly that we cannot oppose any kind of process of integration or close international cooperation that occurs naturally, democratically, and free from pressure or coercion. If we were not to respect such processes, the world would have the right to oppose us—for instance, on our rapprochement with the EU.

[Gabryel] Who is now holding the key to Poland's integration into NATO, the EU, and the WEU? Is it Warsaw, Washington, Moscow, Bonn, or Paris?

[Olechowski] The key is being held by different people at the same time, but we are the ones who are holding its biggest chunk. Poland must act like it has up to now so that it can continue to be assessed as an outstanding country, a stable country and one that contributes to stability in Central Europe. I often stress the fact that we are an "exporter of stability" these days. The key to implementing our plans is a peaceful and predictable international situation in this part of Europe. If these factors do not change, our aspirations will come true relatively soon.

[Gabryel] Efforts to be a NATO member are our raison d'etat. Is it not the case, however, that paradoxically, as many U.S. politicians stress, Poland's membership in NATO could ultimately turn against us by "forcing" the Russians to take "retaliatory measures" in the states beyond our eastern border, thus making Poland "a country close to the front"?

[Olechowski] I have said on one occasion that, if we were to alienate Russia and push it away from us through our clumsy and ill-timed joining of NATO, Poland should give it up altogether. However, I think that we are fortunately past that stage already, given that Russia has joined the same "circulation system" by joining the "Partnership for Peace" and through the establishment of a dialogue with NATO. Now these facts must take deeper roots, which will cause the danger you mentioned to disappear completely.

[Gabryel] During your visit to Bonn, you said: "If Russia were not to cooperate with NATO and the EU, it would belong to a completely different world. Under that situation, one could compare the role of the Polish foreign minister to the mission of Moses: He would have to lead the Polish nation out of Central Europe as soon as possible." You want to avoid having to play Moses' role. Are you not afraid, however, that the way you will go down in history is as a perpetual pilgrim for the Polish case?

[Olechowski] I do not think so. I am an active person by nature, and I cannot imagine any activity being conducted in a different manner—that is to say, without the constant precautions and the constant formulation of proposals to settle problems. Perhaps reports that appear often, on the Foreign Ministry's new measures, make it look like we are not scoring successes, but keep in mind that, for instance, in this country, in Poland, it takes four to five months to make simple government decisions. Now, we are talking here about organizations, one of which (EU) has 12 members—to be increased to 16 soon—while the other (NATO) has 16 members even now. How soon can one expect decisions to be made? I think the institutions act with incredible speed. The document issued at the NATO summit in Brussels was described by the press as the most expensive document in world history. Every word in it was the subject of very thorough preparation and negotiation. Under ordinary circumstances, a document like that would be binding for two or three years, but, in fact, it has already been amended! After six months, "Partnership for Peace" looks different, and another step is being taken. This kind of tempo is a sign that I will not be involved in the pilgrimage or, rather, in the caroling for a long time into the future.

[Gabryel] Is Poland's activity level on the international scene not perceived with irritation in Russia?

[Olechowski] You would have to ask the Russians about that.

[Gabryel] Our relations with Russia, however, as well as yours with Minister Kozyrev, continue to be regarded as extremely cool.

[Olechowski] I do not share that view. On the contrary, I think that the warming of relations that occurred as a result of many bilateral and multilateral initiatives by both Foreign Ministries is not being utilized. Even if we were to assume bad will on Russia's part, we are not using a certain type of international coercion that tells the Russian Federation to treat Poland favorably. I am addressing this remark at our economic circles, both administrative ones and private entrepreneurship. They do not come up with a sufficient number of projects; they do not have enough foresight or persistence in the negotiation of agreements. Perhaps not just me but also other state representatives (who are responsible for the economy) should involve themselves in persistent pilgrimage and caroling activities.

It is precisely our inability to act in economic relations with Russia that is responsible not so much for the coolness as for its appearance, which is a result of lack of specifics.

[Gabryel] You admitted that you caused a "problem" by presenting Minister Kinkel with a 31-item memorandum regarding Poland's future membership in the EU. Is this the way other West European capitals perceive you—I mean as a "troublesome caroler"?

[Olechowski] I cannot be the judge of that. We are, however, trying to accomplish something troublesome. We are trying to "get our foot in the door"—and we are accomplishing that—with regard to decisionmaking mechanisms. We are trying to tell in advance what we need and what we are after. Then we ask: Why do they

act this way and not in some other way? And we are not waiting for the solution to be delivered by someone else.

[Gabryel] "Nothing about us, without us," said Bill Clinton in the Polish parliament. Is it really true that everything that affects us is happening with our contribution?

[Olechowski] The world is a different place now compared with the period of the "concert of the superpowers" or the Yalta Conference. That is already behind us. It is certainly easier to work, however, in the absence of the other party. Through my activities, I have been trying to make sure that there are as few such situations as possible, even if they are of minor importance.

Coalition Situation, Presidential Race Viewed

WS2007110094 Warsaw RZECZPOSPOLITA in Polish 20 Jul 94 p 3

[Article by Ewa Kaszuba: "SLD on Holiday"]

[Text] *The day after an attempt at the post of Privatization Minister Wieslaw Kaczmarek by Sejm Deputy Bogdan Pek of the Polish Peasant Party [PSL] and a group of his colleagues from the PSL Sejm Deputies Club, leaders of the Democratic Left Alliance [SLD] left on vacation, while those who stayed behind in Warsaw say they were able to do so with extreme calm because nothing new should happen in the Kaczmarek case during the Sejm's summer recess. After their return, they are likely to come across a new configuration of the political scene and one that would be interesting from the left wing's point of view. That is because the SLD has been monitoring with great interest the debate going on inside the Freedom Union [UW], and it speculates as to the possible impact.*

We Will Not Give Kaczmarek Away

With the conflict surrounding Marek Borowski still fresh in their minds, SLD politicians say that the case of Kaczmarek will not be the same. All that attacks on Kaczmarek can do is accelerate talks on the privatization of the tobacco industry, as well as convince those who have doubts that the issue is important and urgent. In the view of the left wing, the increased activity level displayed by opponents of the privatization minister is to some extent a consequence of the results the PSL scored in the elections to gmina [small administrative unit] councils. It turned out that the PSL's electorate is limited to the countryside, while cities take note of the party only when it concludes alliances with other political parties. So, for the moment, the PSL cannot even dream of becoming a national party. Hopes are gradually disappearing, as well, for a transformation of the PSL into a "peasant Christian-democratic" group. So the peasant party has no choice but to defend the class interest, and that is exactly what it has been doing through Sejm Deputy Pek and his supporters. By opposing the tobacco industry's privatization, however, PSL Sejm deputies are becoming spokesmen for just one group—the group of petty tobacco growers who are associated with the industry. They are the ones who could really suffer a loss as a result of an entry into our market of Western tobacco companies. But those growers, who could be described as serious by our standards, could find it profitable to cooperate with Western investors, and the left wing's view is that the prime minister should be trying to win favor with the growers. The only problem is that the tobacco growers could hardly be described as belonging to the PSL's electorate.

"The taking of a position on the case by the prime minister could be a message concerning his position on the transformations in rural areas. Up to now, the PSL managed to gain supporters in those areas thanks to a continuous willingness to maintain the status quo in rural areas and through opposition to any kind of structural changes whatsoever," SLD politicians say.

What Kolodko Has Up His Sleeve

The left wing is facing a question: their own Deputy Prime Minister Grzegorz Kolodko (even though he stresses his independence). The SLD's perception of Kolodko is of someone incredibly ambitious, even though quite apodictic, too, who has waited a long time to be able to play a key role in the Polish economy. Activists at the headquarters of the Social Democracy of the Polish Republic [SdRP] can still remember the professor's visits several times a week even before the 1991 elections, during which he suggested that the party adopt his economic program as the entire left wing's own election platform. He took an unfavorable position, however, on proposals to take part in the proceedings of a team that was in charge of preparing precisely this kind of program. He seemed to rather disbelieve that the team could possibly come up with anything better. While getting ready for the implementation of the "Strategy for Poland," the deputy prime minister surrounds himself with people who have been his closest aides up to now and who, at the end of the Polish United Workers Party's existence, gained the reputation of "the young and the angry." While admitting that the aids' skill levels are high, SdRP members say that Kolodko's aides are characterized by a sacrosanct conviction of the correctness of the solutions they are suggesting, as well as an allergic disdain for any kind of criticism. As those who have inside knowledge say, to be in cooperation with the professor for years is not a simple thing to do, while people comment on the fact the associates have been cooperating with the professor for years in two ways: Either they are very obedient, or they have managed to acquire the difficult skill of being able to convince Kolodko about the correctness of their own arguments. SLD politicians do not know yet which option is actually true.

It can be concluded from the cooperation between the prime minister and the deputy prime minister that Waldemar Pawlak has left Grzegorz Kolodko a very wide area for maneuvering.

"It would be interesting to find out at what cost that happened," the left wing wonders. Among other things, there is speculation as to the deputy prime minister possibly giving up on the concept of restructuring the government, so as to leave both PSL pillars (Ministers Smietanko and Podkanski) at ministerial posts, as well as a postponement of structural reforms of rural areas. Incidentally, the last aspect mentioned was the weakest spot of the various deputy prime ministers for the economy, but Marek Borowski, while being aware that agriculture is his "Achilles' heel," spent most of his time learning about precisely that area of the economy, which was a sign that he will get down to reforms soon.

With some emotion, Sejm deputies for the SLD are waiting to see what the level of cooperation will be between the deputy prime minister and his associates, on the one hand, and Sejm deputies on the other, at the point at which Grzegorz Kolodko's proposals are submitted to the Sejm. For the moment, the Sejm deputies are saying that the deputy prime minister would like to perform the role of a third, apart from the PSL and the SLD, independent governing force in the coalition, a force that would be put on equal footing with the others.

A Gift From UW

Left-wing politicians have been looking courteously at the Democratic Union [UD] and the Liberal-Democratic Congress for some time now, while not hiding the fact that cooperation with those two parties would suit them best. For a substantial amount of time, UD and the left wing remained in a kind of stalemate, making their measures and decisions dependent on what kind of use opposition politicians could make of them. After the September elections, when UD declared its final lack of interest in cooperation, the SLD had no choice but to turn to the PSL, and it stopped looking back at UD. That is not 100-percent true, however. SLD members continue to be impressed by the clear thinking, quick decisionmaking processes, professionalism, and pro-state approach taken in policies implemented by members of UW, especially given that they often find it hard to find these traits in their coalition partner.

The SLD approaches the possibility of a left wing breaking away from the recently united UW as an unavoidable necessity, in general, and a gift for itself right now. There is nobody in the SLD to count on the possibility of the two left-wing trends uniting over the next few years....

"Because a hand reaching out to them continues to be regarded as one reaching out to grab them," SLD politicians regret, "but, still, we feel closer to Jacek Kuron and Barbara Labuda than to [Union of Labor Chairman] Ryszard Bugaj.

The establishment of a group of about 20 or so Sejm deputies would be a significant change in the configuration of forces in parliament, insofar as it could endanger the ruling coalition. That is because, if the left wing of UW approved the idea of taking part in the coalition, and, also, if Union of Labor [UP] made a similar decision (even though the SLD is as skeptical about such cooperation as about the one with the PSL), the argument that there is no alternative to the present government would no longer hold true. According to left-wing politicians, the likelihood of the establishment of such an arrangement is evidenced by the impact of a recent appeal made by UW, in which the party asked local council members running on its tickets not to form coalitions with the postcommunists in gminas.

"That was indispensable to make UW finally see that, by making room for us on the left side, it will not find partners on the right side. What is surprising and also symptomatic is that UW became convinced of that so soon," an SLD member says.

However, if Jacek Kuron really decided to run in the presidential race...

"...one would have to seriously consider whether to vote for him," some say. That would have to be on one condition, however: That UW would split before that. That is because, if Kuron were a candidate of the entire UW, the very diversified party, with many fractions, could center around him.

Believe It If You Want To

SLD scenarios regarding the presidential elections are continuously updated to take changes happening on the political scene into account. First there was talk of Aleksander Kwasniewski as president in the year 2000. His growing popularity made people begin to regard him as the only politician who could be a match for Lech Walesa. Up to now, however, it has not been examined what chances he would have against Jacek Kuron, who could take many votes away from him. The last of the scenarios seems to be more unlikely than all of the previous ones. Waldemar Pawlak's actions are an important element of the scenario. The presidential campaign to take place in a year will be radical and grab a great amount of attention. If Pawlak decides to run—and all signs are that he will—he will rule the country for a few months. According to the left wing, the prime minister's decision to run for the presidential post should be accompanied by a resignation from the prime minister's post. So the scenario is as follows: A left wing breaks away from UW, with Kuron being its presidential candidate. The left wing supports Kuron and does not nominate its own candidate. Pawlak decides to fight for the presidency, while Kwasniewski, another leader of the current coalition, replaces him as prime minister. In the event that the predicted events do indeed come true, only two questions remain to be answered: First, will Aleksander Kwasniewski, who has worked long to gain his current position, agree to make way to Pawlak in the name of the final and ultimate forgiveness of the sins of his political orientation? Second, will his electorate appreciate such perverseness? Answers to be delivered after the holiday season.

Roman Advocates Closer Ties With NATO

AU2107113794 Bucharest AZI in Romanian 18 Jul 94 pp 1, 8

[Speech by Petre Roman, chairman of the Defense, Public Order, and National Security Commission of the Chamber of Deputies, at the "Rose-Roth" International Seminar in Sinaia on 15 July]

[Text]

1. Principles

It is a well-known fact that one of the difficult problems of the new revolutionary power was to eliminate the control of the single party over the military institution, a control represented by the entire network of party organizations within the Army, up to the level of the Army's Political Council. In the last instance, the latter decided on all matters pertaining to the functioning of the Armed Forces. Therefore, one of the first demands of that moment after the 1989 revolution was to remove that control. This was first achieved through a legislative act, a decree-law which stipulated the removal of this system and also asserted the will to democratize the military institution. In the complex and complicated conditions of the postrevolutionary time, the Army ensured the victory of the revolution when it declared itself on the side of the revolution; at a local level, this happened in Timisoara on 21 December 1989 and in Bucharest at 1015 hours [0815 GMT] on 22 December. That was a crucial moment in the victory over the dictatorship and in the removal of Ceausescu's [former communist dictator Nicolae Ceausescu] personal power.

However, this was but a first step toward democratizing the military institution. To a certain extent, the Army's democratization process was made more difficult by the fact that, in the first months after the revolution, it was dragged into a national debate—at times, pretty rough—regarding the Army's participation in the Timisoara repression. The accusations brought against the Army did not take into consideration the specific nature of the military institution, namely that it is a strongly hierarchical institution subject to rigorous discipline; the various discussions often slid into accusations that in many situations caused damage to the military institution.

One of the first actions taken by the provisional government—the revolutionary government—was to reestablish a correct hierarchy within the Armed Forces, namely a progression based on value and competence, by excluding the political criterion. That was the first great step in the democratization policy, a step taken as early as January-February 1990. A signal was thus given on that occasion—a signal that was well received by the Armed Forces—namely that promotion on the military scale would henceforth be based on military criteria, that is, on the criteria of military skills accumulated during the military career, taking into consideration the contribution of each military man to the proper functioning of the Army section in which he is active. In this respect we can say—and I believe that I am even better qualified to state it, since I was the prime minister of the revolutionary government, the provisional government, at the time—we managed to take quite a few concrete steps along the road of reestablishing this criterion. Likewise, during 1990 and later in 1991 and partially in 1992, the higher ranks, particularly those of general, were granted on the basis of the military career of the officers proposed for promotion; even the proposals were made on these criteria. The corps of generals and higher officers of the Romanian Army was renewed to a large extent, by taking into account this criterion of the military career and of the proven values and skills accumulated during that career.

Moreover, a particularly important fact was the introduction of the system of democratic control of the Armed Forces, namely the control exerted by Parliament through its specialized defense commissions. From the very beginning, these commissions also covered the public order and national security sectors, which, we believe, was quite appropriate, given the circumstances prevailing in Romania in this transition from the communist system—closeted in the dogmas of the single party—to a pluralist and democratic system. Both in the Parliament chosen in 1990 and in the Parliament elected in September 1992, these specialized parliamentary commissions exerted a democratic control over the Ministry of National Defense and the Armed Forces. The important thing is that, from the very beginning, the Ministry of National Defense has seen this control as a normal and necessary procedure. The many audiences to which the cadres with the most responsible tasks in the Ministry of National Defense were invited—beginning with the minister himself and continuing with the chief of staff, other secretaries of state in charge of various departments in the Ministry of National Defense, and other military men with high responsibilities—have certainly created the image of a democratic control as well as the practice of this democratic control.

As a matter of fact, what has been tried, and is still being aimed at today through democratic control, is the principle according to which trust in the military institution and the democratic system can only be ensured through transparency and confidence, if proven in actual fact. In this respect, the military institution has provided an important amount of proof, to the extent of building trust between the civilian society and the military institution. Of course, the democratic control over the military institution is primarily a vital requirement of a democratic and pluralistic society. Setting out from this principle, one can see the interconnection between the principle of Romania's national security and the overall security of the democratic world. In this respect, it was clear from the very beginning that building trust and cooperation between the Romanian military institution, on the one hand, and the military institutions of the democratic countries and the overall security systems of the democratic world, on the other hand, is a key element of stability and democratic security in Europe and throughout the world.

The free world's policy of opening and cooperation toward the countries in Central and Eastern Europe, which have clearly chosen the road of democracy, was met by the opening and the desire for cooperation of the countries from Central and Eastern Europe, particularly Romania. One could say that this policy has been consistently implemented by our country's Ministry of National Defense. A whole series of cooperation and opening initiatives launched by the Romanian military institution have yielded concrete results.

Cooperation with NATO, the opening toward NATO, and the commitment of the Romanian military institution to integration within NATO date back to October 1990, when high officials of the Ministry of National Defense, the chief of staff, and high military officials paid successive visits to the NATO headquarters; at the same time, the series of bilateral contacts between the Romanian military institution and the military institutions of the Western countries in Europe, the United States, Canada, and other NATO allies started at that time.

2. Goals

The control exerted by the civilian society over the military institution—which does not limit itself to the control exerted by the Parliament and the specialized commissions, but also includes the intimations of the media and the press, to a large extent—has become increasingly more coherent and concrete, in step with the crystallization of the democratic relations between the civilian society and the state powers. Therefore, one can say that these goals included a profound questioning of the purpose of the Army and the role of the soldier in a democratic society, in the context of defining or redefining Romania's national security.

Romania has speedily opted toward integration in NATO's security structures, in the belief that this is the way to ensure its own national security. The public perception of the military institution in our country is generally favorable, an attitude that has authentic and obvious historical roots. The public debate on backing the military institution has been important and has favorably influenced both the military's own perception of the Armed Forces and the further structuring of the military institution as far as budgetary allocations and military equipment are concerned. Here are the objectives aimed at thus far by the democratic control over the military institution:

—Placing the military institution in an appropriate legislative framework, in keeping with the current decisive transition toward democracy, while also taking into consideration the restrictions arising from the difficult process of transition to the market economy;

—Finding ways and means to protect the national defense industry and start a vast restructuring program to modernize the defense industry, ensure as much military hardware for the Romanian Army as possible from the domestic production, and harmonize it with the equipment used by the NATO armies;

—The civilian and democratic control of the military institution has also included the attempt to guide the discussion on the present and future of the national security toward a full understanding of the option in favor of a national security, something that can be achieved in a democratic framework, through cooperation with the democratic world and by drawing ever closer to the security structures of the democratic world, primarily that of NATO, as it is only natural;

—Strengthening democracy in our country by creating appropriate legal structures, on whose existence the stability and normal functioning of the military institution depend.

The last goal I would like to refer to derives from the parliamentary political practice and from the relationship with the civilian society. I am referring to the correct and realistic perception that, when NATO, the Western World, and the European Union clearly express their readiness to fully rebuild their relations with the countries in Central and Eastern Europe, so that they can turn into relations of cooperation, mutual trust, and—as soon as possible—alliance, the democratic control will exert an overwhelming influence on directing these relations toward accelerating the cooperation process, whose final goal is joining the alliance.

The content of this cooperation, particularly the content of a broader and restructured NATO alliance, are matters which, in our opinion, cannot be exclusively mapped out in the NATO countries. They can no longer be exclusively conceived from the position of the Western world's acceptance of the Central and Eastern European countries. They should go beyond the strategic goals of NATO's security. Beyond the strategic goals of democracy, one should consider the democratic principle according to which these relations should be jointly thought out and built and their finalization should be carried out on the basis of a two-way process, with mutually favorable interaction. In stating this, we base our conclusions on an analysis of the behavioral attitudes adopted by the NATO allies or the European countries in various situations, positions which have not always given the impression of thorough coherence, clear direction, or of decisively oriented action.

That is why I dared to formulate a goal for this democratic control in the process of Europe's democratization, following the collapse of the Iron Curtain and of the communist system, a goal which is common to all of us. The building of this trust must rely on the direct knowledge of military institutions, on the joint removal of unclear areas, if they are perceived as such, and on the elimination of prejudices inherited from the past and of residues of the mentality from the cold war period, on both sides.

Likewise, we can formulate another principle adopted by the Western countries, namely that this movement

toward collective security must not affect the specific character of the policy of security and national defense. In this respect, I would like to cite, as an example, Point B, Article 223 of the Rome Treaty, which stipulates that each member state can take the steps that it deems fit to protect the essential interests of its security, with regard to the production or trading with arms, munitions, and military hardware. These measures should not affect the world market competition of products earmarked for specific military purposes. This example refers to a specific matter, but also points to another important direction, namely the success of harmonizing the policy of collective security with the various national security objectives and interests.

3. Topical Matters

The achievements registered thus far by Romania in creating and implementing a new legal framework in order to ensure democratic control over the military institution, obviously make us reflect on the future course we have to take. I think that, at the current stage, this democratic control must strike a necessary balance between the means allocated to the national defense policy and the difficulties of the transition period.

Any decision taken by the government in this respect, no matter how rational or good it may be, cannot exclude—since it is situated in the context of a certain budgetary policy—the moment when the public becomes convinced that the means allocated to national security are, in general, enough. Therefore, by striking this balance, one eliminates those accents that can be considered as excessive and that can undermine the trust in expanding our country's relationship with NATO within the Partnership for Peace scheme, which is concretely materialized in bilateral ties with the democratic European countries, the United States, and Canada.

I also believe that a result of the democratic control over the Armed Forces must be the elimination the demagogic demands on the soldiers—trying to speculate on natural sentiments in connection with the military institution—regarding their responsibility for national security. I believe that this kind of demand should be done away with by ensuring the vast consensus of the democratic political forces, to the extent of bringing these demands on the military institution within the proper confines of the democratic and national berth. This goal is quite possible and within reach, as an result of the democratic control over the military institution.

CDR Resolves To Ensure Unity of Parties

AU2107104894 Bucharest ROMANIA LIBERA in Romanian 13 Jul 94 p 9

[Article by Dan Preisz: "Despite Rumors, the CDR Is Not Splitting, but Rather Consolidating"]

[Text] Last night, after about three hours of fiery debates, the Council of the Democratic Convention of Romania [CDR] unanimously decided that all its 18-member political groupings should make every possible effort to ensure the unity of the CDR and increase the efficacy of its future activity. Thus they have put an end to rumors circulated by certain political circles that this democratic alliance might split up.

Concretely speaking, during yesterday's meeting of the CDR Council it was resolved that by next Monday [18 July] each member party should forward its own suggestions regarding the appendix to the CDR's electoral protocol. Next Wednesday those suggestions are to be collated and sent back to the member parties, as well as to the CDR Political Analysis and Strategy Commission. Within a week that body is to examine the proposals and devise a synthesis document, which will subsequently be submitted to a vote in the next session of the CDR Council. During that session the discussions will mainly concentrate upon the electoral protocol. As the file containing all the proposals will be sent to each party, they will all be able to learn about the other parties' stances on this issue.

Until yesterday the PNL-CD [National Liberal Party-Democratic Convention] and the PAC [Civic Alliance Party] were the only ones to have sent written proposals to the CDR Council. The PAC continues to uphold the idea that every party should be granted the same weight in the electoral protocol for the next elections, while the PNTCD [National Peasant Christian-Democratic Party] opposes this idea.

On the other hand, also yesterday evening, Emil Constantinescu, the chairman of the CDR, officially announced that preparations had started to reorganize the CDR in the territory, in view of enhanced efficiency, at the level of the local branches of each member party.

"The issue of a split in the CDR has never occurred to the members of the CDR, but rather it was raised by certain commentators, observers, and political analysts. It is only normal that various conceptions should appear regarding a live body such as the CDR, which finds itself permanently in a dynamic balance," pointed out Constantinescu, who also emphasized that currently the CDR is in a "growth crisis," in the sense that it has continuously to adapt its structures and enhance their efficiency. "we have to find ways for a more appropriate dialogue with the citizens, especially with those whom until now we have not managed to convince. During the CDR Council meeting we heard very differing types of speeches, beginning with quite emotional ones and ending with very serious and straightforward examinations of how we ought to find financial resources and organize the logistical structures of the CDR in the future. I believe that our dialogue today (yesterday—ed.) was extremely useful for the members of our democratic alliance," concluded CDR Chairman Emil Constantinescu.

CDR's Constantinescu on Alliance Reorganization

AU2107104994 Bucharest AZI in Romanian 18 Jul 94 p 3

[Statement by Emil Constantinescu, chairman of the Democratic Convention of Romania, to Andrei Costa: "A Question a Day: Where is the CDR Heading?"]

[Text] The current political rulers are trying, by means of a diversion campaign, to depict a catastrophic image of the CDR [Democratic Convention of Romania], especially considering that they perceive our convention as an alternative and as an opposite power pole. The latest public opinion poll conducted by the IRSOP [Romanian Institute for Public Opinion Polling] indicates that, if elections were held now, the CDR would come out as the winner. However, there is one source within the CDR itself as well that is creating tension. It is only natural that each member party of the CDR should be preoccupied with the strengthening of its own structures and increasing its vote. For the CDR parties it is only natural that this attempt to win voters should target those voters who have not yet made up their minds or former voters of the current rulers, and in no way the voters of other CDR member parties, transferring them from one member party to the other, as happened in the case of certain members of parliament. This is why I always stress the idea of the responsibility that our political leaders should feel for the electorate, as here we are dealing with our confidence capital, which should not be wasted. That confidence capital does not last forever, and if the idea catches on that the CDR is not trustworthy, this might affect our basis, both our joint footing and that of each of our member parties. Our current effort to reorganize the convention are only natural, as it is being done to administer our confidence capital better, which is much larger now than we initially had. In my personal opinion, for the time being the initial protocol should not be questioned, but we should rather continue to discuss the contents of the protocol, which so far has not been achieved. I am talking about the Electoral Protocol and the Protocol on the Local Organization of the CDR. Recently I asked the leaders of the CDR member parties to hand in written suggestions regarding the CDR and, if they do not have any, to state that they accept the current situation. By Monday (18 July—ed.) we will gather those suggestions into a single file, which will be sent to every party so that they should know precisely the points of view of the other parties. The CDR analysis department will then elaborate a technical study in which identical, as well as contradictory, views will be highlighted. Subsequently we will discuss the Electoral Protocol and the Protocol on the Local Organization of the CDR. Our decisions will also take into consideration the points of view of the regional branches of the CDR. If there are any political groupings that consider that now it would be better for them to leave the CDR, they are free to do so. Even if this happens, the CDR, in its essential components, will continue to exist. And even if some groupings leave the CDR, others might join, and thus our appeal to the electorate would remain the same.

'Full Text' of Serbian Assembly Declaration

LD2107124594 Belgrade TANJUG in English 1231 GMT 21 Jul 94

["Pool" item]

[Text] Geneva, July 21 (TANJUG)—Following is the full text of the declaration carried by the Bosnian Serb Assembly in Pale on July 19 as its response to the "contact group" plan for Bosnia:

Starting from the reality that on the territory of the former Bosnia-Herzegovina there exist two states, the republic of Srpska and the Muslim-Croat federation, the assembly of the republic of Srpska has adopted, at its 42nd session held on 18 and 19 July 1994, the following declaration which it is necessary to treat in its entirety.

1. The assembly of the republic of Srpska was in a position to decide about the peace plan proposed by the contact group since:

(a) all the elements of the peace plan were not known to the assembly of the republic of Srpska (constitutional arrangements, agreement on the cessation of hostilities, the question of Sarajevo, the question of access to the sea for the republic of Srpska, agreement on the implementation of the peace plan, agreement on the lifting of sanctions against the Serb people and

(b) further work is required on the proposed map.

2. The assembly of the republic of Srpska is committed to a lasting peace and empowers its negotiating delegation to conduct further negotiations.

3. The proposal by the contact group about territorial delimitation can serve, in considerable measures, as a basis for further negotiations.

4. Following further negotiations, the assembly of the republic of Srpska shall be deciding on the complete peace plan.

The assembly of the republic of Srpska concludes that the implementation of individual elements of the peace plan can begin only after the adoption of the entire peace plan for the former Bosnia-Herzegovina.

5. The assembly of the republic of Srpska rejects the possibility of any presence of foreign armed forces in the region without its prior agreement.

Serbs Set Conditions

LD2007183994 Belgrade TANJUG in English 1817 GMT 20 Jul 94

[Text] Jagodina, July 20 (TANJUG)—A Serbian Democratic Party official on Wednesday disclosed the content of the Bosnian Serb response to the 'contact group' plan for Bosnia.

Radomir Smiljanic said the emphasis was on constitutional arrangements, guarantees for gradual lifting of anti-Yugoslav sanctions and unhindered territorial communication between the Bosnian Serb republic and the Yugoslav Federation of Serbia and Montenegro.

Smiljanic said he had attended the most part of the session of the Bosnian Serb parliament, which on Tuesday adopted a declaration on the contact group plan but declined to make it public.

In an interview to Jagodina radio (central Serbia), Smiljanic said the Serb response to the contact group was more detailed.

Smiljanic, who is also president of the non-governmental organization 'Bela Ruza' (White Rose), said the Bosnian Serbs demanded to be informed whether their Serb republic was planned to be in a confederation with the Moslem-Croat Federation or allowed to establish confederal ties with the Federal Republic of Yugoslavia.

Furthermore, the Serbs want guarantees that the lifting of the sanctions would begin the moment they hand over the first of the 20 settlements and towns planned to be in the Moslem-Croat Federation and that they would be fully lifted by the time those are handed over, he said.

Smiljanic said the third condition was that the question of corridor be settled.

He said the Serbs had given up the demand to be granted access to the Adriatic Sea but demanded that the territory linking the Serb republic with Serbia and Yugoslavia not be merely a corridor, which implies only the right to cross foreign territory.

That territory should be a link with Yugoslavia and much broader than a flyover at which children will be able to sling stones, he said and added that that Brcko should, naturally, be in the Serb hands.

Envelope Contains Four Demands

AU2007183594 Belgrade Radio Beograd Network in Serbo-Croatian 1700 GMT 20 Jul 94

[Report by Dragan Milosavljevic from Geneva—live]

[Excerpts] The latest news is that in the next five minutes I should depart for the German Mission to the UN where we expect to hear the statement for the press. So we will have to go to the German Mission and hear in German about what is happening in the Russian Mission. This is only a small part of a giant and twisted net from which we must free ourselves to find out whether the contents of the pink envelope have been accepted and what is the reaction of the most important factor, that is, the United States. [passage omitted]

We have in the meantime learned of the statement by Mr. Radomir Smiljanic given to Radio Jagodina, who came out with some details [of the pink envelope], claiming that he was familiar with the contents of the [Serb republic Assembly] session in Pale. He put forward

four conditions, that is to say, four wishes that are contained in the declaration.

First, that peace be an absolutely lasting one. Second, that it be clarified whether the Serbs have the right to confederation with their brothers the Serbs and the Montenegrins or whether must they enter the unwanted marriage with the Croats and the Muslims. Then, that the sanctions be lifted in the following manner: The process of the lifting of sanctions should begin with the handover of the first of the 20 towns that should be returned according to the peace plan, and that this process be completed with the handover of the last town. Finally, that the corridor be treated as an organic part of the territory and not as a sort of fly-over over which the kids can shoot at each other with their slingshots.

These are some of the details given by Radomir Smiljanic. I personally believe that these details are correct. [passage omitted]

Plan 'Acceptable in Principle'

LD2007212594 Belgrade TANJUG Domestic Service in Serbo-Croatian 2058 GMT 20 Jul 94

[Text] Belgrade, 20 Jul (TANJUG)—As POLITIKA has learned from well-informed sources, the envelope handed over to the representatives of the Contact Group by the Srpska republic delegation contains the assessment that the peace plan is "acceptable in principle," although it includes other assessments as well.

That the doors to the continuation of the peace talks are not being closed by the latest plan for ending the 27-month long war is particularly corroborated by Article Three of the declaration adopted by the Serb republic's assembly in Pale yesterday.

"The Contact Group's proposal on territorial delineation can serve to a great extent as a basis for further negotiations," the article says.

POLITIKA's sources say that it is believed Russia—one of the members of the Contact Group—will interpret this stance as acceptance of the platform for the continuation of the dialogue between the two warring sides.

The same sources say that the Serb side would receive the support of Britian and France if its reply to the contact group was "yes, and..." and not "yes, but..."

The representatives of the Contact Group, POLITIKA recalls, pointed out that every reply containing a "yes, but..." would be interpreted as rejection of their peace plan.

Karadzic Comments on Decision

LD2007232894 Belgrade TANJUG Domestic Service in Serbo-Croatian 2246 GMT 20 Jul 94

[Text] Geneva, 21 Jul (TANJUG)—Summing up the results of the 20 July negotiations at the Russian mission in Geneva, Srpska republic President Radovan Karadzic told TANJUG's correspondent:

"We submitted a very straightforward document to the contact group, and we expect it to be examined carefully. No additional explanations or comments are necessary from us at this moment. The important thing is for the proposals of the Pale Assembly to be taken seriously".

President Karadzic said in a statement after midnight that his delegation would be staying in Geneva until noon on 21 July and will be at the disposal of the members of the contact group if any additional clarifications of the contents of the Serb Republic Assembly's Declaration were needed.

Kozyrev on Serbian Response

LD2107095494 Belgrade TANJUG Domestic Service in Serbo-Croatian 0831 GMT 21 Jul 94

[Excerpts] Belgrade, 21 Jul (TANJUG)—Before his departure for Thailand to attend the ASEAN ministerial meeting, Russian Foreign Minister Andrey Kozyrev said that the Serb response to the Contact Group plan for the territorial division of Bosnia was "more positive than negative" and that peace negotiations should therefore continue. However, the attitude of Charles Redman, U.S. negotiator and representative on the Contact Group, is quite the opposite. He is disappointed with the Serb response, which he interprets as being negative. [passage omitted]

According to initial unofficial assessments in Belgrade, Kozyrev's statement is part of efforts to continue to search for a peaceful solution to the crisis in Bosnia through negotiations. On the other hand, Belgrade interprets Redman's disappointment as being in line with the familiar U.S. policy toward Bosnia, which finds it hard to change its attitude toward the crisis in the former Yugoslav republic and to the Serbs, in particular. [passage omitted]

Karadzic Holds Talks With Contact Group

AU2007145894 Paris AFP in English 1332 GMT 20 Jul 94

[Text] Geneva, July 20 (AFP)—Bosnian Serb leader Radovan Karadzic entered talks with the international contact group here Wednesday [20 July] to give his delegation's response to a partititon plan on Bosnia-Herzegovina.

The Bosnian Serb response to the plan has been kept secret since its self-styled parliament voted on the issue Tuesday, and Karadzic refused to make any comment as he left his hotel here.

The Croat-Moslem delegation, which accepts the plan, warned that any attempt by Serbs to set conditions would mean starting the process again "from scratch."

The contact group, comprised of the European Union, Russia and the United States, met first earlier Wednesday with the delegation from the Croat-Moslem federation at the Russian diplomatic mission.

The Croat-Moslem side confirmed its acceptance of the scheme, which would give 51 percent of Bosnian territory to the Croat-Moslem federation and 49 percent to the Serbs, who now control 70 percent on the ground.

After the brief 30-minute session, Bosnian Vice President Ejup Ganic, a Moslem, said: "We had been been asked by the contact group to give a clear yes or no. We have done so by saying yes, without raising conditions."

"If Serbs are raising conditions, it means that they refuse the peace plan," Ganic said.

"In that case the whole process will have to start from scratch. A woman is either pregnant or she is not. There is no solution in between," he said.

The Croat-Moslem delegation, led by Bosnian Prime Minister Haris Silajdzic and the head of the Croat-Moslem federation, Kresimir Zubak, a Croat, was to return to Sarajevo in the afternoon.

European States Allegedly Favor More Talks

AU2007204794 Belgrade Radio Beograd Network in Serbo-Croatian 2000 GMT 20 Jul 94

[Report by Dragan Milosavljevic from Geneva]

[Text] According to diplomatic sources here in Geneva there are certain indications that the European countries—France, Great Britain, and, it seems, Russia too—would be in favor of the continuation of negotiations. Judging by what Kozyrev himself has said, the Serbs actually have the right to demand improvements, starting from the constitutional framework. This would involve their desire that there be a possibility of a confederal unification with their brother Serbs and Montengrins in the future and a precise definition of the framework within which the separation of the warring sides would take place and the beginning and completion of the lifting of sanctions.

Ganic Views Peace Plan, Federation Issues

AU2007162094 Split SLOBODNA DALMACIJA in Serbo-Croatian 17 Jul 94 pp 6, 7

[Interview with Ejup Ganic, B-H Federation vice president, by Slavica Lukic in Sarajevo; date not given: "Serbs Got More So That Bosnia Can Remain Integral"]

[Text] Things have been extremely dynamic in the Presidency of the Republic of Bosnia-Herzegovina this week. The Bosnian officials are analyzing the demarcation maps proposed carefully and weighing up their advantages and disadvantages. At the same time, Ejup Ganic is on the tour with U.S. Congressman McKlosky, visiting Mostar and Vitez, so that the congressman can see for himself how the U.S. project on the Federation functions in the field. In Sarajevo, foreign delegations are coming one after the other without respite. The interview with Ejup Ganic, member of the Presidency of the Republic of Bosnia-Herzegovina and vice president of the Federation of Bosniaks and Croats, was postponed for two hours, due to the unannounced visit by Clinton's special envoy Charles Redman to Sarajevo. While we were waiting for the unplanned meeting with Redman to end, Ganic burst into his cabinet, grabbed a map of Bosnia-Herzegovina, and took it to the U.S. envoy. After that, he disappears for a longer time, so that we started our interview after 20 hours.

[Lukic] How do you assess the newest maps of the internal territorial demarcation that the contact group has proposed?

[Ganic] At the moment, it is difficult to assess things in advance, before our parliament states its opinion of the maps, because my statements might influence the attitude of the parliament. So we shall discuss the issue in the Assembly and there we shall analyze all the aspects of the peace plan. For the time being, I can only say that the newest proposal of the contact group has its good as well as its bad sides. A good side is that the plan refers to Bosnia-Herzegovina as an integral, sovereign, and internationally recognized country, and that the international community supports the integrity of our state through the plan. Therefore, regardless of any internal demarcation, Bosnia- Herzegovina will survive thanks to the internal economic propulsion and economic growth. A bad side of the plan is that the Serbs are given a lot of territories that do not belong to them, and this is inexplicable. Everything depends on the angle from which you view the proposed solution. If you view it solely through the ratio of 49 to 51 percent, then it is catastrophic. However, if you view the plan from the angle of the possibility for Croats and Bosniaks to return to Banja Luka, for instance, to get back their houses, to have the right to elect their representatives in local administrative bodies, the right to be elected themselves, to learn Croatian or Bosnian, to have their churches or mosques—then the plan is not so tragic. Our condition will be that it must be made possible for the refugees to return to their homes, and that we must be given a clear idea what mechanisms will be used to force the Serbian side to observe human rights and private property, as well as that the actions taken against those who disregard those rights are precisely specified. Another good side of the plan is that it makes clear to the Serbian war machine that, from the strategic point of view, it has not accomplished much. You have to know that we shall never give up Foca, Prijedor.... Any kind of fascism is defeated ultimately and in a certain way, and since we do not have enough arms, we shall probably have to rely on our scoring point by point.

A Logical Move

[Lukic] Yet the impression remains that the most attractive part of the peace plan for the Muslim-Bosniak side is

the promise that Bosnia-Herzegovina will be preserved as integral state within its internationally recognized borders. The peace mediators, however, have unpacked just a part of the peace package for the time being, and it is still not known what lies at the bottom. I have to tell you that, after the preliminary confederal agreement between the Federation and the Republic of Croatia, and after the statement by Russian Foreign Minister Kozyrev that the implementation of the plan means a stronger connection between the Serbian people in Bosnia-Herzegovina and Serbia and Montenegro, the promises of the preservation of Bosnia-Herzegovina within its internationally recognized borders sound paradoxical at best. In what way is the integral state of Bosnia-Herzegovina to be preserved in such circumstances?

[Ganic] That is an interesting question. When speaking about a confederation with Croatia, one has to keep in mind that it is a sort of contract on more intensive economic cooperation, privileges in the exchange of goods, people, or experts, and all this does not call in question the integrity of our state. When democratic forces triumph in Serbia one day, the Bosnian Serbs may also look for closer relations with Serbia in terms of trade, culture, and so forth. We do not want that any people in Bosnia-Herzegovina feels isolated or locked in, it is good for them to maintain cultural and other relations with their mother countries. Finally, we, the Bosniaks, are also scattered all over the world—Western Europe, Sandzak, Turkey—and we also must not put limits on our communication and relations with our people abroad. However, the most important thing is the economy, and it is orientated toward the West. Therefore it is quite natural that we are bound to Croatia. Croatia has what we do not have, while we have what you do not have: we have mountains, you have the sea; we have electric energy, you have food.... For that reason, the confederation with Croatia is a logical move, we do not keep away from it, and it does not endanger the sovereignty of our state in any case. We believe that the majority of Croatian citizens support the sovereignty of Bosnia-Herzegovina, whereas certain oscillations in politics are something that should not be taken as bedrock while building a long term relationship between our two states.

Sheep-Folds

[Lukic] How will you persuade the Bosnian Serbs to remain within the internationally recognized borders of Bosnia-Herzegovina? They, or at least a greater part of them, want to join Serbia, while in my opinion the economic arguments that you have mentioned appear to be quite a weak reason for the Serbs to remain within Bosnia-Herzegovina.

[Ganic] Serbs are still spending what we all earned together. I think the time will come, quite soon, when they will also have to start living off their own work. They have plundered Croatia and Bosnia-Herzegovina, and many reserves of the former state have remained in their hands. The headquarters of many firms are on Serbian territory and the money that was collectively acquired has remained there, which also applies to military equipment. In the future, Serbia will be poor and, from the economic point of view, an insignificant country. For three years already, factories in Serbia have been standing inoperative, they have lost many markets, many of which were in the Islamic countries like Iraq, Iran, and Libya. These countries were business partners of the former Yugoslavia, as it conducted a lot of constructio work there. In these countries, the Serbs have nothing to look for, all that remains for them is Russia. However, an economic partnership with Russia does not mean much, because Russia itself has enough economic problems of its own. From the point of view of long-term solutions, the Bosnian Serbs will have to reach an agreement with the other two peoples, and while doing that, they will have to be aware that some things will be put in their proper place in the Republic of Bosnia-Herzegovina. The Serbs, with 31.3 percent of the entire population, will never again occupy 60 percent of managing positions. You have to keep in mind that the Bosniak-Croatian Federation is dominant in the Republic of Bosnia-Herzegovina. Two thirds of the country's entire potential is in the Federation. Besides, we also cannot disregard the fact that many Bosnian Serbs have committed horrendous crimes during the war, and it is illusory to expect any reasonable thinking on their part at this stage. Such people are only interested in saving their own skins, which they think could be done by enclosing themselves in some state-like sheep-folds, where nobody can capture them. Nevertheless, I believe that such a situation will come to an end, and that the Bosnian Serbs will have to behave sensibly.

[Lukic] What do you expect from the second part of the peace package, and what constitutional form for Bosnia-Herzegovina will be proposed: federation, confederation, or a loose union?

[Ganic] The most important thing is that the internationally recognized state of Bosnia-Herzegovina is guaranteed by the Constitution, whereas, within the state itself, there will be certain boundaries. As for its organization, it is already known more or less that it will be a decentralized state, so that every region will live on the results of its own work. Bosnia-Herzegovina will have a parliament, a government, and a sort of rotating presidency. It is not the Constitution that elicits disputes. The greatest disputes are elicited by the question of territorial demarcation, that is, how much territory should be given to the Serbs. The Serbs got more than belongs to them, but it seems that is the price of an integral state. As for the proposed Constitution itself, what we shall most insist on is that human rights and private property must be observed, as well as that clear guarantees for their protection must be given. If those principles are added to the Constitution expeditiously and resolutely enough, perhaps that will partly neutralize the injustice that has been inflicted upon us by the proposed territorial demarcation.

The Turning Point

[Lukic] Disappointed with the map and its unnatural outline, some political analysts and commentators in Sarajevo forecast that this peace initiative will also be yet another in the series of failures. For the time being, the world powers, the architects of the plan, are showing considerable verbal resolve to bring it to realization. Do you believe that, behind the declared readiness, there is really a resolve to accomplish the plan?

[Ganic] If this plan is not really meant to succeed, I think that the lifting of the arms embargo against Bosnia-Herzegovina is inevitable. However, I believe that this plan is the turning point in the process of settling the Bosnian crisis. I think that a package of settlements for Croatia and Bosnia-Herzegovina is just being prepared.

[Lukic] I have noticed that you took a map of Bosnia-Herzegovina to the meeting with Redman. Does that mean that you discussed with him the territorial demarcation, and that the boundaries outlined by the contact group are not meant to be a take- it-or-leave-it proposal?

[Ganic] No, we did not discuss boundaries. I gave the map to Redman as a present, which is actually a map of land ownership in Bosnia-Herzegovina. It shows how much land the Bosniaks and the Croats own in the regions that have been given to Serbs according to the latest map. I just gave it to him, without any particular reason. Since he already has all the maps made so far, let him have this one too. What we discussed with Redman is the G-7 meeting with Russia in Naples, and he informed us of the attitudes expressed at the meeting.

[Lukic] Will the Federation and the Serbian side make any exchange within the proposed percentage of 49 to 51, if there are regions where a barter would suit both sides?

[Ganic] I do not believe there will be any. We are not interested in exchanging territories or in any barter of that kind. The Serbs would probably like to initiate such a process, and push the whole issue back to the beginning, in order to avoid giving a definite answer to the proposed map. I hope that those borders, if private property and human rights are protected, will become relative in the course of time.

Retaliation

[Lukic] Let us talk about the Federation. Recently, you returned from your visit to Vitez and Mostar. At the news conference, you stated your impressions, short of details but quite positive. You mentioned, just by the way, that there is resistance to the project of the Federation. I am particularly interested in those elements of resistance: Where are they and among which people?

[Ganic] In the first place, I think there is no resistance in the army and among the citizens. When there is resistance, then it is to be found in the sphere of politics. Do you understand what I mean? I think that the people and the army support the Federation.

[Lukic] Can you be more concrete: What politics do you mean?

[Ganic] When I say the sphere of politics, I refer chiefly to local policies. When I say that the citizens support the Federation, I assessed this according to my contacts and my conversations with them. For instance, in Vitez I talked with Croats, and they support our project and ask why some obstacles are not being removed in a more resolute manner. I have to admit that the Bosniaks are just a step forward in the implementation of the Federation, but that is all right, because we promised to be a step forward: We formed the government with the Croatian members, while now we are trying to form local bodies of authority on the entire territory of the Federation. The Federation also has to take root in Stolac, Capljina, and Vares. I think it is too early to point to some people or places and say: "These are the strongholds of resistance." After all, the tribunal and the international community will observe the implementation of the project closely. It is not accidental that Congressman McKlosky were with me on the tour. In Mostar, there are still difficult cases of Muslim citizens being expelled from the left bank of the Neretva River to the right bank. Yet, the local authorities say that such things are being done by some groups that are out of control and that efforts are being made to improve the situation. We shall wait and see the results. Now, Mostar has been placed under the protectorate of the European Union, and the citizens will have to go back to their homes, because if they do not do that, it will be too high a price for both Croatia and the Federation to pay. Economic retribution would be quite difficult.

[Lukic] Are you satisfied with the way in which the Croatian state policy has supported the implementation of the Federation since the signing of the Washington agreement?

[Ganic] It could have been done much more, or rather, it could have done more by doing it earlier. Secondly, I am not the only person to pass judgment on the extent and sincerity of those efforts. The process is being closely observed by the United States in the first place. If any side happens to be caught evading the agreement, saying one thing while doing the other, I think there will be great troubles in the form of economic isolation, ostracism, and so forth. However, I think that a good step has been taken by the Croatian side. President Tudjman visited Sarajevo, while I have been told that he encouraged the implementation of the Federation in the field as well. I do not want to be the one to predict any resistance at this stage. We shall wait two or three more months, and then we shall recognize spots of resistance and its leaders easily. If there is resistance, I am afraid that a very high price will be paid for it.

[Box, p 7]

[Lukic] You were present at the convention of the Croatian Democratic Community [HDZ] for Bosnia-Herzegovina in Mostar. What are your impressions

about what you heard there, and how do you view the newly elected leadership of the party?

[Ganic] I was present only during the ceremonial part of the convention. I was there on behalf of the Party of Democratic Action [SDA], to address the convention, and convey the message of my party that, when the Croatian people makes one step toward the implementation of the Federation, we shall make two. That is to say, the aim of my presence there was to reassure the Croatian people of the readiness and good will of my people. The election of the new leadership took place only after my departure. People with whom I am personally not acquainted have been elected. Perhaps it is not prudent that I comment on such things, but I have an impression that the HDZ is a rather unified party, and that the leadership from Zagreb gives the tone to the global policy of the HDZ, and its political moves and responsibility for them will be viewed from that angle. Let the Croats elect those people whom they consider to be the best in the given moment. I personally contact and cooperate with the people in the government, with Kresimir Zubak, with whom I cooperate very well.

[Lukic] In your [Bosnian] press there are commentaries saying that a radical, extreme current of the HDZ has won, while it is claimed that some of the elected officials it have demonstrated their extremism by deeds in the course of the war. Do you agree with such assessments by local journalists?

[Ganic] The most important thing is what kind of policy the elected officials will pursue. In Bosnia, many people are prone to making turns of 180 degrees. On the other hand, the question is what kind of policy the HDZ intends to pursue in general. Many people think that the election of the new leadership confirms that the HDZ in Zagreb still has a great influence on the party in Bosnia-Herzegovina. However, I would not like to overstate this. I think that new [general] elections will take place soon, so the people will have an opportunity to express their opinion of politicians and state officials. As the Bosnians say, let us not stir troubles unnecessarily.

Silajdzic on Future 'Union' of Bosnia-Herzegovina

LD2007165694 Belgrade TANJUG in English 1646 GMT 20 Jul 94

[Text] Ljubljana, July 20 (TANJUG)—Bosnia-Herzegovina will be a union of the Moslem-Croat federation and the state of the Bosnian Serbs, the Slovenian daily LJUBLJANSKI DNEVNIK on Wednesday quoted Bosnian Moslem Prime Minister Haris Silajdzic as saying.

Silajdzic's allegation and assurances that the international community guarantees Bosnia-Herzegovina's sovereignty and territorial unity were a basis for Monday's acceptance of the Bosnia peace plan by the parliament of the Moslem-Croat federation.

The Bosnian Serbs will decide for themselves about the internal organization of their state within a new Bosnian union that will have a central legislature, executive and judiciary, the paper said.

However, the Bosnian Serbs have criticized the plan proposed by an international 'Contact Group' precisely because of its lack of a clear definition of constitutional principles.

The plan of the Contact Group allots 51 percent of the Bosnian territory to the Moslem-Croat federation and 49 percent to the Srpska republic but it is not clear in what kind of relations the two entities would be.

The Bosnian Serb parliament on Tuesday adopted a declaration on the plan but decided to send its response to Geneva in a closed envelope that is to be presented to the Contact Group in Geneva on Wednesday.

Bosnian Serb officials said their secrecy about the Serb response to the plan aimed at avoiding possible manipulations in connection with the peace proposal.

Diplomatic sources in Geneva believe that the Bosnian Serbs have approved the plan but asked that some vague provisions be clarified, primarily those relating to the constitutional position of the Srpska republic.

Zubak Views Acceptance of Federation, Peace Plan

AU2007175194 Split SLOBODNA DALMACIJA in Serbo-Croatian 18 Jul 94 pp 6,7

[Interview with President of the Bosnia-Herzegovina Federation Kresimir Zubak by Slavica Lukic; place and date not given: "We Support the Judicial System and the Interior Ministry in the Pursuit of War Criminals"]

[Text] Kresimir Zubak, president of the Bosnia-Herzegovina Federation, has only been in the public eye since the signing of the Washington agreement. A lawyer who has spent most of his life working for the Department of Justice, he is yet to create his political career. The inhabitants of Sarajevo, whether Muslim-Bosniaks or Croats, have no extreme positive or extreme negative opinions about his political qualities. They say he is self-sacrificing, moderate, and careful. This interview also revealed those characteristics.

We asked Kresimir Zubak about the extent to which the latest maps of the contact group satisfy the interests of the Bosnian Croats, what problems he is facing in the process of forming bodies of the Federation, and why he gave up, at the eleventh hour, his nomination for president of the Bosnia-Herzegovina HDZ [Croatian Democratic Community] at the recent convention of the party in Mostar....

[Lukic] Can you comment on the latest maps of the internal territorial demarcation of Bosnia-Herzegovina from the viewpoint of Croatian interests?

[Zubak] According to the proposed maps, the territory of the Federation has been rounded up to encompass most Croats living in Bosnia-Herzegovina. I do not have precise data, but experts predict that some 90 to 95 percent of the Croats would be included in the territory of the Federation. Consequently, regarding that, the Croats should be satisfied. Those Croats living in a handful of small villages and in towns outside the territory of the Federation will not be satisfied with this division. However, my comment on the map should also include views other than Croatian interests, i.e. the interest of the Federation. Let me, therefore, point out that we, the Croats, will not separate our interests from the interests of the Bosniaks, and that, regardless of having reasons for being satisfied with the proposed territorial organization, we will express support for the Muslim-Bosniaks if they decide that this territorial plan does not suit them. Objectively speaking, they should perhaps not agree to the plan according to which a good part of the territory with a Muslim majority population is left outside of Federation. I am, first of all, referring to areas of eastern and some parts of western Bosnia in which there were serious crimes against the Muslim population. We have discussed all this and agreed that, in the interest of peace, the Bosniaks and the Croats could agree to such territorial division, but provided that the international community secures clear-cut sanctions for those who do not stick to the plan and gives other guarantees for its implementation.

[Lukic] What will be the position of the 5 to 10 percent of Bosnian Croats outside the Federation, mostly as parts of the Serbian corridor in Bosanska Posavina?

[Zubak] We were told that the Constitution would guarantee human, ethnic, and other rights to all non-Serbian nations remaining on the territory controlled by the Serbs. If the international community implements all that, then the position of the Croats living under the Serb authority will be bearable. But is difficult to predict what the real position of the Croats outside the Federation will be like.

Double Reward to the Serbs

[Lukic] Most uncertainty regarding the peace plan refers to the problem of preserving Bosnia-Herzegovina within its internationally recognized borders. If the Federation makes a confederate agreement with Croatia, it is very likely that the Bosnian Serbs will request to make a similar arrangement with Serbia. Do you think that it will be possible to preserve the integrity of Bosnia-Herzegovina?

[Zubak] Right now, we know only the first element of the peace plan, i.e. territorial organization. For the time being, we have only heard about the second part of the plan, about the constitutional arrangement. We made suggestions as to the constitutional arrangement. I requested that the representation of all three nations in the highest bodies of that state community be guaranteed. On the other hand, regarding the part of the territory under Serb control, during his visit to Sarajevo, British Foreign Minister Douglas Hurd asked us the following: Can the Serbs make a confederate agreement with Serbia and Montenegro, much like the one we made with Croatia? Izetbegovic, Silajdzic, and I were very explicit about that and said that the confederate agreement between the Federation and the Republic of Croatia was signed by two international and legal entities: the Republic of Croatia on one side and the Republic of Bosnia-Herzegovina on the other. Consequently, such an agreement with the FRY could be signed only by a side with such status, i.e. authorities of the Republic of Bosnia-Herzegovina. Such an agreement, therefore, cannot be signed by the Bosnian Serbs alone. Although we have not officially committed ourselves to the proposal, I told Mr. Hurd that the Croats would find it very difficult to accept such a union of the Bosnian Serbs with Serbia and Montenegro, for that would reconstruct Yugoslavia. Haris Silajdzic, on the other hand, said that the Serbs would thus be doubly rewarded—by territorial division and by connection with Serbia and Montenegro—and that would lead to the realization of the idea about Greater Serbia.

[Lukic] If the Bosnian Serbs are not allowed a kind of link with Serbia, after the formation of a confederate relation between the Federation and Croatia, how could they be forced to accept the peace plan?

[Zubak] I believe they will not be likely to accept it in that case, but what I just told you was our ad hoc reply to Mr. Hurd. We would have to have more information as to the nature of that relationship, about the arrangement, and only then could we make an official statement. In any case, the right of the Bosnian Serbs to certain closer connections with Serbia is not in question, but I think that a firm connection in the shape of a confederate agreement is not acceptable from the viewpoint of the Croats and the Bosniaks.

Irresponsible Individuals

[Lukic] You returned from Mostar a couple of days ago. Rumor has it that the relations between the Croats and the Muslims are still very strained there and that there are still cases of Muslim families being expelled from the western part of the city. Is that true, and if yes, what will you do as the president of the Federation?

[Zubak] In areas controlled by the HVO [Croatian Defense Council], we were faced with the problem that we will encounter in other parts of the Federation when the war is over and when some people that are now involved in those units are demobilized. In the HVO, the process began some time ago; we have been working on its reorganization and so some people were left outside our units, but still armed and wearing uniforms. For the time being, we are not able to initiate production and create jobs for those people, so they resort to forbidden means in order to survive. So, in Mostar, as well as in some other areas, armed groups and individuals break into other people's apartments and steal. I do not deny

that there were such cases even after the signing of the Washington agreement, but I know about cases where Croatian families were attacked in areas controlled by the Bosnia-Herzegovina Army. I am referring to areas of Bugojno, Zenica, Travnik.... However, we should not make an issue out of that, as those cases are not the result of official politics. Such cases are created by irresponsible groups and individuals. We prepared, organized, and are now implementing a large-scale action in areas under HVO control to prevent all illegal actions.

To Even Out the Standard of Living

[Lukic] When will the authorities of the Croatian republic of Herceg-Bosna be disbanded and the Federation authorities be formed?

[Zubak] The Herceg-Bosnan authorities will exist throughout the transition period. The establishment of the entire organization of the Federation authorities, from the highest to lowest levels, is hindered by a serious problem: the financial position of the population under the control of the HVO is completely different from that of the population living in areas controlled by the Bosnia-Herzegovina Army. Our soldiers receive a salary of 200 to 300 German marks [DM] every month, professional soldiers get even more. The pay in the Bosnia-Herzegovina Army is symbolic. Families of dead soldiers are well provided for, and so are the disabled veterans. Our old-age pensioners regularly receive their pensions of DM55 a month, people working for our educational and medical institutions have a salary, while the people in areas controlled by the Bosnia-Herzegovina Army have very low, almost token salaries. We cannot tell people who have certain rights and a regular income: Now you no longer have that, i.e. now you will get much less, and we would have to do that if we wanted to even out the standard of living on the entire territory of the Federation. That would cause outbreaks of discontent among some people. We must improve the standards in areas controlled by the Bosnia-Herzegovina Army, and establish a balance of the standards throughout the Federation and then the implementation of the Federation Constitution will not be a problem. The problem of balancing the standards of living is the pivotal one and far more difficult than the one regarding the constitution of cantonal authorities. You cannot expect people to accept the Federation if it will drastically worsen their standard of living.

Media War

[Lukic] In order to heal Croat-Muslim relations, it is very important to identify and punish war criminals on both sides. Not a single war criminal has been identified yet. Why?

[Zubak] That is a very important, but also a very sensitive problem. Sensitive, because the media have declared many people war criminals and stigmatized them, without any procedure to prove that, let alone with any proof. We accepted the highest standards of international criminal law and, among other things, also the principle of the presumption of innocence until proven guilty by official judicial authorities. I will always support the system in which war criminals are identified and brought to justice, but we cannot allow that they be declared war criminals in the media before that is proven in court.

[Lukic] Do you not think that postponing the identification of criminals and crimes in court creates an atmosphere of stigmatizing and name-calling in the media?

[Zubak] That is true. I am merely saying that one should go through with the complete procedure and present the evidence. The Justice Department of the Federation will be constituted, they will have the task of initiating the process of establishing the facts of a case. Moreover, nobody is preventing or hindering the judicial bodies of the Republic of Bosnia-Herzegovina and the Ministry of Interior from initiating a procedure if there is enough evidence that a crime has been committed. Let them do so, let them initiate procedures and prove the crime, they will get full political support. Nobody from the Federation will bar or hinder such processes.

[Lukic] A clause of the Washington agreement says that the media war on the territory of the Federation must be stopped. Are you pleased with the efforts to that end?

[Zubak] Within the Croatian republic of Herceg-Bosna, from the highest level, we ordered that all forms of the media war be stopped. As far as I can see, I think that creating bad blood has been stopped on our side. However, perhaps I am not objective. If the Bosniaks think otherwise, let them say so in public. With regard to their side, I have been told (for I do not have time to follow it all myself) that there have been several broadcasts from the area of east Mostar, featuring opponents of the Federation. However, those are isolated examples and, in my opinion, the media climate has been radically changed on the Bosniak side as well.

[Box, p 7]

I Doubt Tudjman Wanted Kordic

[Lukic] At the recently held election convention of the Bosnia-Herzegovina HDZ in Mostar, you ran for party president, but you withdrew your candidacy at the Assembly. Why did you do that and are you satisfied with the elected leaders of the party?

[Zubak] Mariofil Ljubic, Mijo Tokic, and myself withdrew our candidacies. Why we did so is a long story. Before the beginning of the Assembly, I was assured there were no previously designated candidates and that they would be put up in accordance with the provisions of the party statute. The statute says that the signatures of 50 representatives at the Assembly suffice to support one of them running for president. I had no ambitions to become party president at all, although some had tried to talk me into accepting that function. However, when I

came to Mostar, immediately before the Assembly, I found out that there would be just one candidate after all. At that moment, at the request of my fellow countrymen and fellow soldiers from Usora, and also to ensure a democratic procedure that requires several candidates, I decided to run for president myself. Ivo Lozancic became a candidate too, also on behalf of Usora, Zepce, Maglaj, and Zavidovici, so we agreed to run for president together, and to decide later on which would be the candidate at the elections. After that, during the intermission of the Assembly, a session of the Presidency of the party's Executive Committee was convened urgently. Ivic Pasalic and Mate Boban were in that auditorium. Ivic Pasalic told us that President Tudjman supported Dario Kordic as presidential candidate and Pero Markovic as candidate for secretary general. The members of the Presidency expressed their disapproval. In the meantime, in the auditorium and in the halls, people were signing to support our candidacy. Mijo Tokic and I said that it was against democratic procedure, that we should have been told that before, in order to prevent representatives from collecting signatures for our candidacy, without telling us that Dario Kordic and Pero Markovic were to be elected. Mate Boban then said that those were specific circumstances and that we were not supposed to split our votes between the few of us who deserve to be party president, but that all candidates should withdrew to the benefit of Mr. Dario Kordic. He also said that we should not forget that U.S. dollars were also involved in the candidacy, and that the Assembly was attended by U.S. Congressman McKlosky. Since I had met Mr. McKlosky the day before, as it was I who received him, I thought they were referring to me personally. Therefore, when the Assembly began working, I stated I wished to withdraw my candidacy and so did all other candidates except Dario Kordic. That move caused quite a reaction on the part of the representatives. After that, we were requested to stay, not to withdraw our candidacies, which I declined, for we all have our dignity, and I am careful about what I do and how I do things. Ivo Lozancic was the only one not to withdraw his candidacy, but I was told he was pressured into staying, but that he was dismayed at what was happening and was very embarrassed. I did not attend the other part of the convention, so that I did not participate in the election of the leadership.

[Lukic] How do you interpret the events in Mostar, with regard to President Tudjman's recent visit to Sarajevo and the public support he displays for the Federation project whenever he can?

[Zubak] To be quite honest, I am not sure that the appointment of Dario Kordic is the wish of President Tudjman. I do not want to make any statements as yet, for I have not talked to President Tudjman; although some suggested that I call him that very night to see whether that was what he really wanted. I did not do that by design, but I doubt this was what he wanted.

U.S. Plane Hit by Gunfire at Sarajevo Airport

AU2007143194 Paris AFP in English 1418 GMT 20 Jul 94

[Text] Geneva, July 20 (AFP)—A U.S. C-141 cargo plane was hit by machine-gun fire shortly after take-off from Sarajevo Airport early Wednesday [20 July] afternoon, the United Nations High Commissioner for Refugees (UNHCR) said here.

The UN immediately suspended all humanitarian flights scheduled for the rest of the day.

The plane was hit at around 1:00 p.m. (1100 GMT) while flying at an altitude of some 600 metres (2,000 feet), three kilometres (two miles) from the airport, the UNHCR said.

The bullet pierced the transporter's fuselage, leaving a two-centimetre (one-inch) hole.

Interurruptions of aid flights into Sarajevo have been rare since February, when Bosnian Serb forces pulled back their heavy weapons from around the Bosnian capital in line with a North Atlantic Treaty Organisation air strikes ultimatum.

Serbs Fire at UNPROFOR Troops in Sarajevo

AU2107105194 Paris AFP in English 1041 GMT 21 Jul 94

[Text] Sarajevo, July 21 (AFP)—Bosnian Serb forces Thursday [21 July] opened fire with heavy machine guns at UN troops who were attempting to install anti-sniping barriers in the west of Sarajevo, French UN officials said.

Meanwhile, flights into Sarajevo airport were again suspended Thursday after reports of at least one plane coming under fire, a UN Protection Force spokesman said.

The air bridge was suspended for the day on Wednesday after a U.S. C-141 cargo plane was shot at shortly after take-off from Sarajevo airport.

The heavy firing incident in the west of town, near the OSLOBODJENJE newspaper building, lasted about 30 minutes and came as French and Ukrainian soldiers were about to move into place several heavy containers to protect the tram line from sniping.

UN troops have sought to reopen the tram line in that part of town, but have been unable to do so because of Serb sniping.

French UN sources said none of their soldiers were hit.

Serbs Reportedly Intensify Attacks Near Gorazde

AU2107112994 Sarajevo Radio Bosnia-Herzegovina Network in Serbo-Croatian 1000 GMT 21 Jul 94

[Report by Fahrudin Bekic in Gorazde]

[Text] The activities of Chetnik units on the Gorazde front have intensified significantly over the past two days and are mostly directed at civilian targets. Overnight there was repeated intense fire directed at the northern parts of the front and the area in and around [name indistinct]. The village of (?Grbinci) and the surrounding villages within a 10-km stretch upstream from the town were particularly targeted. A (?Serbian woman) was wounded in (?Mirkovici).

In addition to small arms, also used were antiaircraft machine guns and mortars. Mortar shells from the occupied part of (?Rozovice) were fired at (?Obrovina). There were also frequent provocations on the [name indistinct] front, which continued into this morning.

Izetbegovic, UN Envoy View Human Rights Issue

AU2007185394 Sarajevo Radio Bosnia-Herzegovina Network in Serbo-Croatian 1700 GMT 20 Jul 94

[Excerpt] Alija Izetbegovic, president of the Presidency of Bosnia-Herzegovina, and his aides today received the United Nations' special envoy for human rights in the former Yugoslavia, Tadeusz Mazowiecki. The talks focused on the new wave of ethnic cleansing carried out by the Serbian aggressor in the temporarily occupied territories, especially in Banja Luka. Mehmet Alija Trisic reports:

[Trisic] The meeting between President Alija Izetbegovic and Tadeusz Mazowiecki was also attended by Bakir Alispahic, minister of internal affairs of Bosnia-Herzegovina, Hasan Muratovic, minister in charge of relations with UNPROFOR [UN Protection Force], Muhamed Sacirbegovic, ambassador of our country in the United Nations, and adviser [name indistinct]. After the meeting, President Alija Izetbegovic and Tadeusz Mazowiecki made statements on the content of their talks:

[Begin Izetbegovic recording] We drew Mr. Mazowiecki's attention to a new wave of ethnic cleansing that is [words indistinct] groups of Bosniak population expelled from Rogatica, ethnic cleansing in Banja Luka, where it has never actually stopped. The Bosniak and Croatian population in Banja Luka, according both to the information of [words indistinct] dropped to (?10) percent of the prewar population. We demanded that Mr. Mazowiecki use his influence [words indistinct].

Mr. Mazowiecki asked for information [words indistinct] negotiations on peace (?solutions) for Bosnia-Herzegovina (?that are currently under way, as you know). We said that we still did not know the result, of course [words indistinct] As you know, we voted in favor of peace even though we hold the view that the peace solution is unjust. I told Mr. Mazowiecki that our [words indistinct] was to facilitate the reintegration of Bosnia-Herzegovina in the years ahead [words indistinct] for two reasons. First, this is a principled reason. We are interested in seeing democracy in that part of Bosnia-Herzegovina one day, we are interested in human rights gradually being observed there. [words indistinct] The second [word indistinct] reason is that only under these [word indistinct] the population expelled from these regions can return (?to their homes) [end recording] [passage omitted]

UN Envoy Reports Houses Burned, Expulsions

AU2007210194 Paris AFP in English 2041 GMT 20 Jul 94

[Text] Sarajevo, July 20 (AFP)—Old hatreds within the new Moslem-Croat federation are fanning cases of house-burning and expulsions in parts of central and southern Bosnia, UN human rights officials said Wednesday [20 July].

The special UN rapporteur for human rights in the former Yugoslavia, Tadeusz Mazowiecki, acknowledged that his office had received reports of house burnings designed to prevent the return of refugees. But "the authorities of the federation have strongly condemned such practices," he added.

The former Polish premier, who is to travel to central and southern Bosnia over the next few days, told reporters he would be investigating these reports.

UN human rights officials said they knew of only a handful of such cases of house-burnings, mostly in Croat-held areas, where returning Moslem refugees "have been made to feel unwelcome or have seen their houses burnt."

But many communities still live in fear and intimidation is widespread with local authorities blaming rogue "extremist elements," the officials added.

Meanwhile, cases of expulsions continued, notably in Mostar where some 80 Moslems had been forcibly evicted from their homes in the Croat-held western part of the city over the past two months, the officials said.

The Moslem-Croat federation was set up in March following nearly a year of war between the two communities in much of the country, especially Mostar, a city which is being handed over this week to European Union control.

The problem of displaced people in that area is still "far from being resolved," Mazowiecki said.

"At the local level, we cannot observe any significant progress," he added.

Mazowiecki, on his fourth visit to Sarajevo since taking over as special human rights envoy, acknowledged that his recommendations did not always receive adequate political backing, notably from the UN Security Council.

Croatian Blockade Prevents UN Aid Delivery

AU2007145694 Belgrade TANJUG Domestic Service in Serbo-Croatian 1438 GMT 20 Jul 94

[Text] Belgrade, 20 Jul (TANJUG)—The coordinating body for humanitarian aid for the Srpska republic has announced today that—owing to the blockade on the Croatian side—the UNHCR has been unable for 20 days now to deliver humanitarian aid from the direction of Zagreb to the Banja Luka, [Bosanski] Petrovac, and Doboj regions.

The statement says that the Croatian blockade has prevented convoys of the UNHCR and the UN Protection Force [UNPROFOR] from delivering 2,400 tonnes of food to 35 communes in the three regions.

The statement says that there were obstacles to the deliveries of aid in April and May, when these regions were deprived of 6,000 tonnes of food.

Banja Luka Liberal Party Leader on Serbian Issue

94BA0350B Belgrade NIN in Serbo-Croatian 24 Jun 94 pp 20-21

[Interview with Miodrag Zivanovic, Liberal Party of Banja Luka chairman, by Radmila Kardas; place and date not given: "There Must Be a Return"]

[Text] *They believe that the solution to the Serb national question equals the creation of a Serb state. That is impossible. This is the first time in history that an ideology is becoming the product of war.*

Banja Luka, "far behind the front lines," is living a specific life. Or we might call it an imitation of life. In the city where "apparently" everything or nearly everything is the same as it was before, although in essence everything is painfully different, we spoke with Banja Lukan Miodrag Zivanovic, a doctor of philosophy and chairman of the Liberal Party of Banja Luka.

[Zivanovic] Old-time Banja Lukans often used to say that there was something urban or civic in Banja Luka. We have witnessed incredible and dramatic sociodemographic changes here. On the one hand, they are the consequence of the ethnic cleansing that was conducted here in a somewhat more elegant fashion, but conducted nonetheless. A large number of professionals have left, especially those from the middle class. But besides the Muslim and Croat population, a large number of Serbs have left Banja Luka as well. They are people who did not want to reduce their lives—as we philosophers would say—to an ethnic group, while some of the people did not want to go to war for moral or other reasons. I would call that the Banja Luka emigration. Those who have remained in the city, working for exceedingly modest wages at enterprises, schools, and university faculties, are living a life in which public welfare is more valuable than wages.

[Kardas] What is the consequence of their departure?

[Zivanovic] A second large wave has arrived in their stead: a large number of farmers, refugees from Croatia and the former Bosnia-Herzegovina controlled by the Muslim and Croat sides. These are people from the middle stratum of Zagreb, Pula, Split, Sarajevo, and other urban centers. The third wave of local emigration is people who have arrived from rural areas of the republic of Srpska [RS] or from the vicinity of Banja Luka and who have assumed certain political functions here. At one point, Predrag Radic, the mayor of Banja Luka, said that our cadre are leaving, but only Serbs are arriving. The newly arrived cadre are still taking a back seat. They are not included in public life, and have no apartment or job. We ourselves have rejected them. The "local structure" has fared best. One of these newcomers, with a state function, got an apartment that is under construction, so that he felt that he must also have a dog in that apartment. The problem arose when he wanted, at any price, to acquire a particular type of dog, which he had heard is "exceptionally modern," and is known as an "interior."

[Kardas] How do the authorities regard these problems?

[Zivanovic] Everything is justified by the war. Indeed, the war is a quite convenient alibi for everything that is happening to us. In my opinion, a catastrophic political and state organization of our lives is more to blame for everything. This sociodemographic change is of an epochal character.

[Kardas] As the largest city in the RS, Banja Luka has been reduced to a status that is disproportional even to its prewar position?

[Zivanovic] Unfortunately, Banja Luka has been subsumed to the model of the medieval organization of a state in which all power is executed in one center. In our case, that is Pale. That is the known model of regarding the nation and the state as identical. More or less all essential functions of the state are concentrated in Pale and the surrounding area, which is known as Sokolac and Han-Pijesak, from trade payments to state funds, although the MUP [Ministry of Internal Affairs] headquarters has been moved to Bijeljina. An artificial structure is being created that cannot satisfy the needs of the people after the war. Our economy is barely functioning, because the trade payments are handled over there, somewhere in Sokolac or Han-Pijesak. According to decisions by the RS government, even buildings and structures have been transferred to government ownership. But Pale is in essence a small rural center. And Banja Luka is becoming destitute—even the infrastructure in education, science, and culture that existed in this area before the war. Irrationally and incomprehensibly, so-called schools of forestry are opening up. The schools of economics and law are in Pale, the school of medicine in Foca, the teachers college in Bijeljina.... They lack not only the basic preconditions for carrying out scientific and pedagogic education, but also the necessary scientific infrastructure and any real chance of functioning. In

addition, but only on paper, there is the Sarajevo University of the RS. At the same time that the necessary and essential functions are being drained out of Banja Luka University.

[Kardas] What are the consequences that are already discernible?

[Zivanovic] Concretely speaking, we have shifted national culture to the foreground. That is not a bad thing, and is even necessary to a reasonable degree. But national culture is only part of the broader, international culture, European, Byzantine, whatever you call it. But here, the emphasis on national culture has become absolute. Emerging in the foreground is national kitsch that negates the value of what has sprouted in this region, what was created previously. We are coming to a situation where our culture is reduced to manifestations such as "warrior-poets," "warrior-painters." Naturally, I do not underestimate what these people are creating, but that is only a tiny part. To say nothing here about music, where only things with that national designation are allowed. This type of kitsch is further perpetrated in the educational system and in the system of what we call family upbringing.

[Kardas] What should be done?

[Zivanovic] We expect the current authorities to evoke reason and to attempt to present us with, first of all, an economic plan for future life. As far as I know, such a plan does not yet exist, just as there is no plan for constructing a political system. As far as the economy and economic infrastructure are concerned, ideas about free shops and duty-free zones are whirling about in the heads of those people sitting in the RS decision-making centers, but there is little or almost no talk about production. I would say that there is great ideological pressure surrounding the transformation of social ownership into some other form. I think that Karadzic put forward the idea that reprivatization is absolutely mandatory. As the Liberal Party, we warned that the creation of only one form of ownership by necessity leads to a totalitarian regime.

[Kardas] Certainly some way must be found?

[Zivanovic] In my judgment, although it is perhaps already too late, at least the remnants of multiethnic and multinational life should be preserved. We should try to preserve life in the milieu in which we used to live, regardless of how much it has been torn asunder. I recently listened to Rasim Kadic, the chairman of the Liberal Party of Bosnia-Herzegovina, and he says that he wants 300,000 Serbs to return to him, because it is impossible to live without them: "They are part of our culture, our milieu." I too think that there must be a return. I do not mean only Muslims and Croats, but also Serbs. We must breathe spirit into this city. As a party, we have asked the current authorities, both through parliament and through the media, to revive Banja Luka as an urban center. Greater democracy must be developed here, there must be a halt to ethnic cleansing and the same rights must be guaranteed to all. The people have long since had enough of war. We also expect social unrest, because returnees from the front will have nothing. The economy is operating at 10 to 12 percent of its capacity. And a state too cannot be created with destroyed communications, road, transport, and railroad links.... But our media produce 90 percent propaganda and 10 percent information.

[Kardas] Is this state even tenable based on such premises?

[Zivanovic] It is impossible to set up a state on the premises of nationalism. The ruling SDS [Serbian Democratic Party] has submitted to the famous Stalinist theory that all politics is essentially a question of cadre. They believe that the solution to the Serb national question equals the creation of a Serb state. That is impossible. This is the first time in history that an ideology is becoming the product of war, instead of vice versa. Moreover, religion is being introduced to the game, directly into state institutions. On the front pages of newspapers or in special reports, we see that MUP offices, schools, enterprises, and university faculties are consecrated. But also alarming is the submissive mentality of journalists toward national leaders, which is much more pronounced here than in Serbia. The state continues to function on the basis of the lowest premises of Stalinism. Take only as an example the work of the state commission headed by General Subotic. By this I mean the commission for the protection of state interests, for fighting profiteerism and crime. And then we have a ceiling for the work of that commission, solving problems in Teslic Opstina and the responsibility of the chief of police in Teslic. The further work of that commission is lost. You have to go from the top down, because political power is concentrated in the top ranks of RS politics. We also have a number of businessmen getting involved in the issue of currency, and then the machinations with fuel where figures of a million German marks are reached. At a time of the greatest tension, one of the officials told me that I can write and talk about anything, but "don't touch our money!"

[Kardas] And Banja Luka?

[Zivanovic] It would really be too much to reduce Banja Luka to a military frontier for the third time in history, guarding the border, and so on. I cannot imagine a greater decline for it.

Akashi Sees Possible UN Withdrawal

AU2107120594 Paris AFP in English 1150 GMT 21 Jul 94

[Text] Zagreb, July 21 (AFP)—UN special envoy Yasushi Akashi on Thursday [21 July] raised the possibility that UN troops might be withdrawn from Croatia if the situation became "totally unacceptable."

Commenting at a press conference here on consequences of a blockade of UN checkpoints by Croatian refugees, Akashi replied: "In the worst case scenario, it could make our work here impossible. In that case we will draw the logical conclusions from it."

Croatian refugees, forced to flee when Serb separatists annexed areas of Croatia in 1991, say the UN troops are now preventing them from returning home. As a protest the refugees are blockading UN checkpoints between the Serb-held enclaves and the rest of Croatia.

Valentic, Akashi Discuss UN Checkpoints

LD2007143294 Zagreb Radio Croatia Network in Serbo-Croatian 1300 GMT 20 Jul 94

[Text] The Croatian Government does not back the blockade of UNPROFOR [UN Protection Forces] checkpoints, Prime Minister Nikica Valentic told the UN secretary general's special envoy Yasushi Akashi and the UNPROFOR military commander, Gen. Bertrand de Lapresle. They met in Banski Dvor. Prime Minister Valentic resolutely told the UNPROFOR representatives that the Croatian Government did not back the blockade of UNPROFOR checkpoints and that the government would do its best to avert incidents regardless of which side might provoke them.

Prime Minister Valentic stressed, however, that the circumstances surrounding the refugees as well as the situation in UNPA [UN Protected Area] zones were very grave and that the problem of the blockade could not be solved unless the refugees were given assurances that something would be done to solve their problems. Stressing that Croatia was aware of all its international obligations, Prime Minister Valentic added that some evident facts fuelled justifiable discontent among the public. In this context he mentioned the fact that UNPROFOR's monitoring stations in Croatia were dealing with a level of traffic which was in excess of humanitarian needs and that the Serbs continued to unlawfully pump large quantities of oil into Djeletovci.

He promised his government would try to exert its influence on the Association of Refugees. He also said that UNPROFOR had to demonstrate its willingness to carry out UN Security Council resolutions. At its session, scheduled for tomorrow, the Croatian Government will discuss the situation in the wake of the refugees' protest as well as cooperation with UNPROFOR.

Following the talks Akashi said that he was not satisfied with UNPROFOR's performance hitherto, although it had achieved something so far. Stressing that he and Prime Minister Valentic had reached agreement in their talks, he called on the Croatian people to be patient and cooperative. As for possible changes to UNPROFOR's mandate in Croatia, Akashi said that this issue was going to be discussed in September and that at some stage in the future the UN would be fully ready to discuss changes to the mandate in the spirit of openness. He went on to say that UNPROFOR had drawn up some plans as regards how to solve the refugees' problems, which he singled out as the most important issue in the operation of the Protection Force. The talks in Banski Dvori were also attended by Hrvoje Sarinic, head of the Office for National Security.

RSK Adopts Declaration To Implement Cease-Fire

LD2107110594 Belgrade TANJUG Domestic Service in Serbo-Croatian 0933 GMT 21 Jul 94

[Text] Knin, 21 Jul (TANJUG)—At their closed session, deputies of the assembly of the republic of Serbian Krajina [RSK] adopted a declaration spelling out the ways of implementing the latest cease-fire agreement between the RSK and Croatia, TANJUG learned earlier today.

In the declaration, the RSK expresses readiness to further promote the peace process and develop cooperation with the UN forces, which have for some time now been faced with a blockade and a hostile attitude from the Croatian side.

At the same time the RSK raised the possibility of offering accommodation to UNPROFOR's [UN Protection Forces] logistic supply base [logisticka baza Unprofora za snabdevanje].

UNPROFOR is also called upon to deploy all its forces in the buffer zone, to ensure full control of the area between 10 and 20 km from the separation line inside the Croatian side, and to use helicopters to control the area.

In the declaration, the RSK asks UNPROFOR to take over the control of all military airports in Croatia, to secure the cooperation of the forces responsible for the monitoring of the Adriatic in preventing arms deliveries to Croatia via sea routes, and to report any arms embargo violations to the UN Security Council.

The EU observer mission has been asked to divert its attention to the Serbs under threat in Croatia.

Mikelic Views Coexistence With Zagreb

LD2007170694 Belgrade TANJUG Domestic Service in Serbo-Croatian 1622 GMT 20 Jul 94

[Text] Knin, 20 Jul (TANJUG)—Borislav Mikelic, prime minister of the republic of Serbian Krajina [RSK], received a group of U.S. reporters today in Knin. Mikelic briefed them on the situation in the RSK, especially

relations with UNPROFOR [UN Protection Forces], which he described as good and correct.

The U.S. reporters were particularly interested in Mikelic's views on the proposal that the Krajina Serbs be granted "a high degree of autonomy." Mikelic does not believe this is possible, however, since having been exposed to genocide for the second time the Serbs no longer believe in any possibility of coexistence in Croatia.

Commenting on Croatia's latest demand for UN forces to be deployed along the AVNOJ borders [internal borders of Tito's Yugoslavia as established by the Anti-fascist Council for the National Liberation of Yugoslavia] of former Croatia, Mikelic emphasized that this would be absolutely unnecessary, because the Serbs are not threatened by the Srpska republic and the Federal Republic of Yugoslavia, so it would be logical for the peacekeepers to be deployed along the separation line.

Asked whether he anticipated war with Croatia this autumn, Mikelic replied that the people of Krajina were against war and expressed his hope that the international community would not condone such a move on Croatia's part.

"If the Croats do opt for war, I am not sure who would emerge victorious," Mikelic said.

Martic Views Talks, Problems With Croatia

LD2007160594 Belgrade TANJUG Domestic Service in Serbo-Croatian 1507 GMT 20 Jul 94

[Text] Knin, 20 Jul (TANJUG)—Milan Martic, president of the republic of Serbian Krajina [RSK], today sent a letter to the UN Secretary General's special envoy Yasushi Akashi, telling him that the RSK government adopted a platform on economic talks with Croatia at its latest session.

On the basis of this platform, the RSK will be prepared for talks with the Croatian side without further delay and will agree to any date proposed by Akashi, Martic says in his letter.

Borislav Mikelic, prime minister of the RSK, is prepared to discuss the venue and other fundamental issues with ambassadors of the international conference on former Yugoslavia and with the UN Protection Force's [UNPROFOR] coordinator for civilian issues in Knin.

"The RSK will spare no efforts in order to continue the peace process which would lead to a just political solution. Our decision to embark on the next stage of this process was brought about by our strong conviction that a peaceful solution reached by political means is the only key to the present crisis."

The RSK president stressed that, unfortunately, the international community has until now shown no interest in or attention to the Krajina stand, nor has the RSK been given a chance to speak about the sufferings of its people at international forums.

"We are therefore following these developments stage managed by the Croatian side with the utmost concern, especially the engagement of refugees with the aim of obstructing the work of UNPROFOR and other international organizations," the letter says.

Martic also expressed his concern over Croatia's unambiguous determination to pursue the war option, which has resulted in frequent incidents. The UN secretary general has been informed about this in a letter.

By blocking UNPROFOR, Croatian forces are moving about uncontrolled in the exclusion zone, deploying units and weapons in preparation for fresh aggression, the Krajina president's letter says, noting that the refugee issue is not only Croatia's problem, but also concerns the 500,000 Serbs expelled from Croatia—a process still under way.

"Some 2,680 Serb families are currently being evicted from their homes in Croatia, which has resulted in the daily expulsion of more than 100 persons from Croatia via Hungary to Yugoslavia," Martic specified, adding that Akashi's letter to the president of the association of displaced persons in the RSK was an encouraging message that instilled hope that the process of expelling the Serbs from Croatia will be stemmed.

Expressing his hope that the UN secretary general will also be informed about the contents of this letter, Martic assured Akashi that the RSK government and he personally will fully cooperate with UNPROFOR, especially concerning freedom of movement and in helping to implement the cease-fire agreement to the letter.

Volunteer Union President Mercep Interviewed

94BA0350A Split SLOBODNA DALMACIJA in Serbo-Croatian 4 Jul 94 p 4

[Interview with Tomislav Mercep, president of the Association of Croatian Volunteers and Assembly deputy, by Damir Dukic; place and date not given: "We Committed No Crimes, but Rather Heroic Acts"]

[Text] *Pakracka Poljana: I have no comment on those stories and absurdities that are linked to my name. The comics who say that should have been there when the war was raging, and then given the public accurate information. It is easy to arrive after the battle and count the peasants' shoes. They should have come when the shoes were sitting in tanks firing at us. I contend that under my command not a single crime was committed, but that a multitude of heroic acts was carried out.*

For more than three years now, Tomislav Mercep has captivated the attention of the Croatian public. Indeed, it seems as if Mercep has continuously been at the epicenter of nearly every significant Croatian event, beginning with his involvement in organizing the

defense of Vukovar, through Gospic and Pakrac, all the way up to the parliamentary disagreements and divisions between volunteers in the homeland war. Since those initially bitter disputes seem for the moment to have calmed down, we began by asking Tomislav Mercep whether that can be interpreted as the reunification of all the volunteers.

[Mercep] The other part of the Association of Volunteers is not particularly strong, but the media have given them a lot of attention, and that is why the disputes seemed so deep-seated. We do not expect them to join us, because only a small percentage of that small group of people could accept our membership. Whoever was appropriate there has already joined us, and all the others who meet the conditions can also do so, regardless of whether or not someone likes me as a person.

[Dukic] Does that mean that there can be no rapprochement in the positions of your part of the Association and Trusic's?

[Mercep] Look, we are talking about people who wanted to remain in the Association's leadership, but that did not work out for them. There is no need for a rapprochement of positions because love for Croatia need not mean unanimity, and by the same token not all volunteers have to be in the same body. Indeed, we are being approached by all associations of Croatian veterans. Even the home guards have expressed a desire to be a section of our organization.

[Dukic] Still, does that mean that everyone will come together in one body?

[Mercep] Not everyone, but a large majority will come together. Nor would it be good, I repeat, for everyone to be one.

Manolic and Followers

[Dukic] Lately, the idea has been repeated in certain newspapers that the volunteers led by you have become the strongest force, which through manipulation could play the critical role in the infighting within the HDZ [Croatian Democratic Community]. For example, in GLOBUS....

[Mercep] GLOBUS is not a well-intentioned newspaper. The truth is that the UHDDR [Association of Croatian Volunteers of the Homeland War] is in general the strongest organization in Croatia. Our organization is neither state-based nor antistate, neither political nor apolitical. We are brought together by love for the Croatian people, and we do not elect the Croatian authorities: The Croatian people do. That is why every future Croatian president and every Croatian Government elected by the Croatian people will have the full support of the UHDDR. No one can manipulate us, we are the conscience of Croatia. The seed of evil, in the form of the remnants of the KOS [former Yugoslav Counterintelligence Service] and UDBA [former Yugoslav State Security Administration], which was sown both in Croatian politics and in the Croatian Armed Forces [HV], was not sown among Croatian volunteers, as the only exception. But Croats are a sensible people who can distinguish good from evil and who will choose the right option.

[Dukic] We have returned to the division within the HDZ, in which you would belong to the right wing....

[Mercep] The divisions have been artificially created, and there has never been a division into left and right, only into scoundrels who regarded the HDZ as a means for coming to power and those who are not scoundrels, but rather desire a free and democratic Croatia. The former crew counted on taking 50 percent of the membership with them, but they took away only a very small number, who were addicts.

[Dukic] In what sense addicts?

[Mercep] Mr. Manolic divided the HDZ list and it turned out that besides him it was only people from the state list, while all the deputies whom the people elected remain in the HDZ ranks to this day.

[Dukic] So you do not classify Manolic and his followers as the left wing?

[Mercep] They have never been leftists, unless it was the left that was directly involved in the former communist regime. They perceived the HDZ and Croatia as a way of being someone and something. How is it that everything was fine while they were the number two and three people in the state? Now nothing is any good to them, not even the Croatian people.

Journalists and Charges

[Dukic] Recently, after the founding of the HND [Croatian Independent Democrats], there began to be public talk again about certain events in 1991, and thus there was also talk of the responsibility of certain leaders at the time, for example regarding the release of certain Serb criminals?

[Mercep] The UHDDR will see to it that both Mr. Boljkovac and Mr. Degoricija are held accountable for the release of Savic, Hadzic, and Arkan. As far as I know, the two of them have not committed any evil, but my friends and relatives have been killed by the very people whom they released from prison. Who gave them that right? We will also pose a number of other questions, such as who issued the order to send our children by bus to Borovo Selo or Plitvice. It must be seen which people it is who are perpetually joking at the expense of the Croatian people, so that they have already concluded 350 peace agreements with the Serbs.

[Dukic] What is your comment on the revival of the "Labrador affair"? Do you think that responsibility for the continued activity of the Serb secret services can be attributed to part of the then-leadership of the HDZ?

[Mercep] Certainly. Manolic and Boljkovac occupied two of the most responsible posts in the Croatian state, and certainly they were well-aware of the structure and activity of the Serb secret services. The organization of the services that the two of them led worried all well-intentioned Croats because they appointed as agents for those services all the people from the former intelligence structures who were conspicuous for their hatred of their own Croatian people. We accept reconciliation between Croats because of all our children, but it will be hard for those who have learned to betray to change. Instead of employing volunteers in those services, we observed that they began to be driven out of both the HV and the police.

[Dukic] Let us move on to other subjects. Do you know exactly how many legal proceedings have been instituted against journalists?

[Mercep] Absolutely! Exactly 52 charges have been brought, and all those journalists who under orders from certain foreign bosses, and for 2,000 German marks, call someone a war criminal will now become acquainted with the rule-of-law state, which they also advocate. Little by little, they are already losing their suits, one after the other. And I am personally pleased that these friends of mine will finance my further career in this way.

[Dukic] It appears that you are convinced that all these cases will be won?

[Mercep] One case has already been decided in my favor, and that is what will happen with the others as well, because they have no evidence whatsoever, they are pure insinuation.

[Dukic] What will you do with the money gained in this way?

[Mercep] It will be for me and my friends and for the children of my dead fellow fighters. I have plenty of plans, and it will be a particular comfort to me that they will be financed by people who do not like me.

We Are Ready!

[Dukic] Milan Vukovic recently said that the bodies of 18 soldiers were found in the grave at Pakracka Poljana, a place to which your name is often linked, not the bodies of 200 civilians. Do you know what actually happened there?

[Mercep] I have no comment on those stories and absurdities that are linked to my name. There are courts and police in Croatia, so let them do their part of the work. The comics who say that should have been there when the war was raging, and then given the public accurate information. It is easy to arrive after the battle and count the peasants' shoes. They should have come when the shoes were sitting in tanks firing at us. I contend that under my command not a single crime was committed, but that a multitude of heroic acts was carried out.

[Dukic] Nevertheless, it is possible that war crimes were committed on the Croatian side too. Should proceedings be launched in those cases as well?

[Mercep] Legal sanctions must be applied to every misdeed. The law must work off its own, and then Croatia, as a rule-of-law state, will ask Europe and the world, which are giving us instructions in this regard, to also apply sanctions to those people who have raised arms against the Croat people, raided our homes, killed our relatives, and burned property. Let them show us how that is done, and then our friends too will be sitting in Croatian prisons. We will not have anything against that, but we are against having justice once again applied only to Croats. Still, I contend that there were very, very few improper actions on the Croatian side, either by HV members, HOS [Croatian Defense Force] members, or the HDZ troika.

[Dukic] I believe that there is no need to ask you whether you welcome the latest campaign by displaced persons. Do they think that volunteers will join their protest?

[Mercep] Naturally I welcome all campaigns by displaced persons, but I do tell them to be very prudent and cautious and not allow some implant who does not love Croatia to talk them into crazy actions. It is enough that we demonstrate resolve to UNPROFOR [UN Protection Forces]. Let them work off what they owe or we will express our utmost thanks to them. These boys from UNPROFOR are not to blame, they came to stop the war and to solve the problem through negotiation, not knowing that it is hard to negotiate with the Serbs. We have taken advantage of this period to arm ourselves and we will liberate our entire homeland. There will not be any indulgence when the UNPROFOR mandate runs out.

[Dukic] That will be in September. Will things get going then?

[Mercep] The moment of the final liberation of the homeland will be decided by President Tudjman. The volunteers are ready at any time, and I contend that we could carry out that mission alone, without the HV and police. The UHDDR intends to provide 100,000 volunteers, whom the official authorities will not be able to get rid of. We do not want Croatia to be liberated without us. The HV is capable only of chasing the enemy out and withstanding total war, but if they were to do that without us, they would inflict the greatest possible punishment on us.

[Box, p 4]

Relations With Trusic

[Mercep] Zvonimir Trusic probably respected me, so that he personally suggested me for the post of lifelong

honorary president of the UHDDR. However, he has a very pronounced desire for power, afterward he founded his own party, headed by him, and that is why there was a parting of the ways. We were indeed close; our friendship developed during the war. He was the logistics man in my unit, he often drove me home dead tired, I believed in him, but because of that powerful desire for power Trusic made a number of improper moves, so that our friendship ended.

ΩDA Party Attacks HDZ, Washington Accord

94P21002A

[Editorial Report] In two recent issues of the Split daily, SLOBODNA DALMACIJA, leaders of the Dalmatian Action (DA) party attacked the ruling Croatian Democratic Community (HDZ) for not finding a solution to the "disastrous situation" in Dalmatia resulting from the war, protested the leasing of the port of Ploce to the Federation of Bosnia-Herzegovina for 99 years as specified in the Washington agreement, and declared Croatia's zupanija (county) system of administration a failure.

The 27 June issue of SLOBODNA DALMACIJA published a commentary by DA spokesperson Jadranka Polovic. The commentary, which, according to Polovic, had been rejected for airing on the Croatian RTV television program "Iz Stranackog Zivota" (From Party Life), attacked the HDZ for the deterioration of the situation in Dalmatia during the four years the HDZ has been in power in Croatia: "Dalmatia today has been transformed from a once-rich tourist region with millions of visitors into a totally isolated, economically broken, and politically neglected province from which the greedy government only takes, forgetting that it should be investing in this precious gem. The accumulated problems have been increasing daily.... The lost territory and constant encirclement by enemies have blocked Dalmatia and brought long-term economic and political insecurity to the region."

"Centers of government and power are far away outside Dalmatia," Polovic continued, noting that in Dalmatia human rights are violated, unsolved explosions and murders occur, and drugs and the black market reign. The commentary stated that the DA would not support the "war campaign" initiated by the Croatian Assembly and attacked Croatian President Franjo Tudjman for having announced that if the current parliamentary crisis is not resolved, he would use his constitutional power to dissolve the parliament and appeal to the nation, claiming that Tudjman was using as his model Serbian President Slobodan Milosevic, who had recently dissolved the Serbian assembly. This time, the citizens of Dalmatia would vote for themselves, Polovic stated, concluding that only with their own forces could they create conditions "worthy of a civilized country" by altering "this tragic situation of hopelessness, corruption, and plunder that is the direct result of the way the government operates."

On another contentious issue, DA President Mira Ljubic-Lorger has protested the leasing of the Port of Ploce to the Federation of Bosnia-Herzegovina—charging that the deal had been "imposed from the outside." "Deals at the expense of Dalmatia will not be allowed," Ljubic-Lorger said in a 28 June SLOBODNA DALMACIJA interview, pointing out that "the revenue from the lease will go to the government in Zagreb and business profits to another state, while the residents will be at the level of hired labor." This is unfavorable for Croatia, and especially for Dalmatia, Ljubic-Lorger added. Ljubic-Lorger declared that while the DA supports the implementation of the Washington agreement, Dalmatian representatives must be included in negotiations, and decisions on leasing must not be made without the approval of the Croatian Assembly. Wondering who would have the courage "to vote to sell part of Dalmatia," Ljubic-Lorger said it was a scandal that the people first learned of the lease in the press and pointed out that it was "one thing to give economic concessions and another to give one's territory, which is totally unacceptable." If deals at the expense of Dalmatia continue to be made, the whole Washington agreement could come into question, Ljubic-Lorger observed, adding that "we do not need... repetitions of [World War II leader of the Independent State of Croatia Ante] Pavelic's concessionary agreements with Mussolini on Dalmatia."

Asked to comment on the growth of regionalism and the demands of some opposition parties for the federalization of Croatia, Ljubic- Lorger remarked that the zupanija system of administration has obviously been a total failure. "We support a Croatia in which regions will exist as natural entities, such as Dalmatia, Slavonia, and Istria, all of which will have equal relationships with the central government.... Our main problem is the ruling party, which is insensitive to regional needs and which cannnot even deal with such a rich region as Istria."

Gligorov Receives U.S. Defense Secretary Perry

AU2007174694 Skopje MIC in English 20 Jul 94

[Unattributed report: "Military Connections"]

[Text] Macedonia's President Kiro Gligorov received U.S. Secretary of Defense William Perry yesterday, who stayed on an official visit to Macedonia [The Former Yugoslav Republic of Macedonia—FYROM]. Their meeting was also attended by the ministers of defense and foreign relations Vlado Popovski and Stevo Crvenkovski, the president's cabinet announced yesterday.

President Gligorov sent greetings to the U.S. President Clinton whereby he accepted the significance of the establishment of diplomatic relations at embassy level.

During the one hour long discussion, which concentrated on several issues of mutual interest, President Gligorov underlined the great importance of the keeping of stability of RM [Republic of Macedonia], as an irreplaceable factor of peace and stability in the entire region. In that function, the cooperation between Macedonia and the other international factors interested in peace and security, including the United States, is of exceptional importance. The participation of the U.S. contingent, as part of the UN peacekeeping forces in our country, is a positive step in that direction.

Another issue raised was the political-security situation in the country and the region, whereby according to President Gligorov, the continuation of the economic embargo against Macedonia, imposed by Greece, not only inflicted great economic damages to Macedonia, but also had a negative influence from the aspect of the stability of the country and the security in the region. President Gligorov also briefed the guests on the basic principles of Macedonia's foreign policy and relations with the neighboring countries.

The talks also reviewed the possibilities for establishment and development of economic, scientific, technical, and military cooperation between the RM and the United States. U.S. Defense Secretary William Perry stated that the United States was giving particular importance to the place and role of Macedonia, as a factor of stability in the region. Regarding the participation of the U.S. soldiers as part of the UN peacekeeping forces in Macedonia, he stated that he had concluded, with pleasure, that the Macedonian public had positively accepted their presence in Macedonia. Minister Perry also proposed several types of specific cooperation between the two countries in the field of defense.

Privatization of State Companies Expected in Fall

AU2107073394 Skopje VECER in Macedonian 20 Jul 94 p 7

[Report by S.M. Vankova: "Slowly but Surely"]

[Text] At the moment, there are 240 state-capital companies in the process of privatization in the country. Their preparations for the transformation are on different levels. A "hematological" study would show that this important process in the Macedonian economy is still anemic. The advertisement of the first privatized companies that was announced for the beginning of the summer has now been postponed until September or October.

The people and institutions involved in the implementation of the transformation claim that the postponement was due to their commitment to implement the privatization in a professional and competent manner and thus eliminate any possible insinuations. In other words, they are firmly decided to respect and implement the Privatization Law completely, for which a complex and long procedure is required.

Until Advertisement—Classified

In the last two months, matters have been moved from the standstill that lasted for several months. The Department of Public Revenue is engaged in controlling the earlier privatizations and, although it is not easy to obtain information, some circles close to the Chamber of Commerce claim that there are 100 companies in which the situation is indisputable—but they also claim that there are charges against seven cases that are suspected of working against the regulations.

According to Jane Miljovski, minister without portfolio, the first fully privatized companies will be recruited from the ranks of companies that have already started the process of transformation. In the minister's notebook, five companies are noted in which the management package is 51 percent, but their names will be kept secret until the promotion in autumn. It is clear that they are trying to achieve a greater number of companies that will be promoted (without making a great fuss in the meantime) in order to score more points in the preelection campaign, but also in order to justify themselves to the World Bank. During the last negotiations, it insisted on displaying 102 privatized companies, 400 evaluated companies, and that control should be completed in all companies that started the process of transformation. In spite of a skepticism that has been shown by some circles and in spite of what some from the parliamentary opposition claim—that the Law is not being implemented properly—Minister Miljovski is satisfied with the way that privatization is being carried out in the country. He quoted the opinion of the IMF head of the mission in Macedonia [The Former Yugoslav Republic of Macedonia—FYROM], Paul Thompson, that few countries have offered such a good privatization program that is also so properly implemented, as is the case with Macedonia. The second citation was from the World Bank, which has now completely changed its opinion of the privatization process in Macedonia. It plans to invest 90 percent of the money needed for the completion of the second part of the transformation program and for solving the problems of the workers who may face redundancy. This will provide the conditions for the Privatization Agency to prepare programs

for the employment of persons who will face redundancy and, at the same time, to realize the privatization programs of the companies themselves. This practically means that the minister firmly believes that there is not going to be a strong wave of new unemployment.

Greater Transparency

Miljovski denied that the key question for the completion of the preparations for the programs is the evaluation of the real value of the companies, which can take from three to six months. So far, only 15 companies have been evaluated, but this action will be now speeded up because, last week, 126 evaluation experts received full authorization from the Agency. However, as the minister claimed, it has been assessed that this number of experts will not be sufficient to carry out the privatization of the 1,456 companies that have to be privatized according to the law. The Agency will organize additional training for another group of 30 experts, and four companies from Slovenia will be also involved with six expert groups, as well as three world's known consultative houses: "Cooper and Lybrand," "Lloyd and Tush," and "Cane M.G. and Pete Marvi" [names as published]. One of them will advise the Privatization Agency, while the other two will assist in making evaluations of banks and large systems.

As Miljovski emphasized, the most important factor for the whole procedure of privatization is that it is done professionally in order to provide for a greater transparency of the process when the companies are put on sale. That will eliminate the idea of selling a company to a preferred buyer, usually a long-time partner of the company. The advertisements of sale will be published in local and foreign newspapers and thus the data will be accessible to all those who may be interested. The selection of the buyers will not be done according to how much he can and wants to pay, but how profitable and perspective his work program will be and how many workers will keep their jobs. This will mean that the privatization will be carried out in a slow but sure way. It will eliminate the negative experience of the Eastern European countries where the rating of the privatized companies suddenly fell from 60 to 16 percent.

Federal

Minister Predicts Lifting of Sanctions 'Imminent'

AU2007145994 Belgrade Radio Beograd Network in Serbo-Croatian 1300 GMT 20 Jul 94

[Interview with Milorad Unkovic, FRY minister for foreign economic relations, by Dusan Vojnovic; place and date not given—recorded]

[Excerpt] [passage omitted] [Vojnovic] You said that the lifting of the sanctions was imminent. Where does this sudden optimism come from?

[Unkovic] Well, we think that all the sides in Bosnia see that it is better to solve things peacefully than through war, and that we are close to peace. The establishment of peace in Bosnia means the lifting of the sanctions.

[Vojnovic] So you expect that—with the peaceful settlement of the Bosnian crisis—the international community will soon make some decisions that will alleviate the sanctions, if not lift them.

[Unkovic] We expect that the contact group will be presenting a schedule of the lifting of the sanctions and, since we have met all the conditions, I hope that the sanctions will be lifted soon.

[Vojnovic] Thank you so much.

[Unkovic] Thank you.

Parliament Speaker Discusses UN Sanctions

LD2107011694 Belgrade TANJUG in English 2344 GMT 20 Jul 94

[Text] Belgrade, July 20 (TANJUG) - Serbian parliament speaker Dragan Tomic said Wednesday that the Federal Republic of Yugoslavia has fulfilled all conditions, set by the international community and the United Nations, for the lifting of the sanctions. The time has come now for the international community to lift the blockade, he added.

Tomic made this remark in a meeting with a delegation of the Federation Council (Russian parliament upper house), headed by Viktor Nikolayevich Viktorov, the upper house vice-president.

The talks focused on the current situation in Yugoslavia and its latest efforts aimed at ending the civil war in the former Yugoslav Republic of Bosnia-Herzegovina, a statement of the Serbian parliament information service said.

Tomic said in the talks that the Serb side had always opposed war and was urging a peaceful resolution to the crisis.

The international community must not be biased and must find a solution which would suit interests of all participants in the Bosnian crisis—the Moslems, Serbs and Croats, he said.

The statement said that during the talks both sides voiced similar views on the causes of the crisis in the former Yugoslavia and ways for overcoming it.

The delegation of Russian parliamentarians was received Wednesday also by Milos Radulovic, the Yugoslav parliament upper house speaker.

Radulovic especially pointed out efforts made by Yugoslavia to find just and lasting solutions to problems in the former Yugoslav Republics and Yugoslavia's clear determination this was to be done by political means, which was the interest of all the warring sides.

Both sides agreed relations between the parliaments of Yugoslavia and the Russian Federation should be established and cooperation expanded, for which broad possibilities existed considering the similarity in nature of the problems encountered by Yugoslavia and the Russian Federation after the disintegration of the former Yugoslavia and the Soviet Union.

Purchasing Power Reportedly Rising Since Jan

LD2107111394 Belgrade TANJUG in English 1040 GMT 21 Jul 94

[Text] Belgrade, July 21 (TANJUG)—The purchasing power of Yugoslavs has been rising steadily since late January, but the average wage is still not epough to pay for the basic costs of living.

According to the latest figures released by the Federal Bureau of Statistics, the average June wage was 167 dinars (German marks) [as received], while the average four-member family required 438 dinars, or 2.9 wages, to survive. In January, 16 wages were required.

Since then, the Yugoslav Government has launched an economic recovery programme, which has boosted the purchasing power and averted total monetary and economic collapse threatening the country labouring under strict economic sanctions.

The 1991 disintegration of the former Yugoslav Federation has rocked the economic foundations of all six former republics and impoverished large sections of the population.

Living standards in the Yugoslav Federation of Serbia and Montenegro have crumbled as a result also of the sanctions, voted in place by the United Nations Security Council in May 1992.

Police Brutality Undermines Judicial System

94BA0348D Belgrade VREME in Serbo-Croatian 27 Jun 94 pp 26-27

[Article by Jovan Dulovic: "Judiciary and Police: Slippery Stairs"]

[Text] *For three days—the amount of time for which people can be held in police custody under the law—suspects are left to the tender mercies of investigators. "Under their blows, I would confess and sign a statement*

saying that I killed King Alexander in Marseilles," says Belgrade attorney Dusan Masic.

Not long ago, Belgrade District Court examining magistrate Zivojin Zivojinovic was receiving from the police, together with a criminal charge, a suspect whose swollen and bruised face showed that while in police custody he had undergone treatment in the so-called "weight-lifting room" (a room specifically insulated so that no sound can penetrate) and the "fistograph" (the beating room).

"How long will you keep bringing me beat-up people? I will note in the record of the hearing that the suspect has been beaten so that it will not appear later that he was injured here in the presiding judge's chamber," Zivojinovic said, reacting angrily. "Word of honor, Judge: He slipped and fell down some stairs," the policeman said without embarrassment.

"Fine, but for once could you think up something else? I have been hearing about the stairs for years now...," the judge replied. The policeman simply shrugged.

All the world's police employ beating, contend people who are allegedly well-informed. Some less and some more, and primarily in order to extract a confession that has no significance in our courts, but represents a sort of psychological pressure on the judge and appellate court. Our police are no exception, and they are allowed to conduct beatings by a loophole in the Code of Criminal Procedure, or rather the lack of a provision stipulating that a defender can be present when a suspect is interrogated by the police. In other words, for three days—the amount of time for which people can be held in police custody under the law—suspects are left to the tender mercies of investigators. "Under their blows, I would confess and sign a statement saying that I killed King Alexander in Marseilles," says Belgrade attorney Dusan Masic. More than the police beatings, he is worried about the increasing insistence by some public prosecutors and their deputies that confessions given by suspects in MUP [Ministry of Internal Affairs] custody be treated as evidence. Thus, Jovo Knezevic, a deputy okrug public prosecutor in Belgrade, says: "It is urgent that the Code of Criminal Procedure be changed. It is incredible that the perpetrator confesses his crime to the police, but that the court later is not obligated to admit that confession. That practically invalidates the work of an official service like the police" (POLITIKA EKSPRES, 21 June). Not a word about how a defender should also be present during such a confession. Prof. Dr. Branko Petric, the retired president of the Vojvodina Supreme Court and a full professor at the School of Law in Novi Sad, whom, moreover, people who disagree with him call a professor of a repressive system, says this about the allegedly lenient application of criminal law: "Ultimately, we must keep in mind the old popular adage, which says that the hornless cow fears the cane, not God" (POLITIKA, 21 June). What would it mean if Knezevic's proposal were accepted and incorporated into the Code of Criminal Procedure? "A catastrophe," says attorney Toma Fila.

Superfluous Attorneys

"Confessions and evidence secured by force have been inadmissible as evidence even in the worst totalitarian states. This state is apparently striving to be a police state, with the laws of the inquisition prevailing," says attorney Dusan Masic. Jovo Knezevic thinks that "of course, the defendant should not be deprived of his right to an attorney." In translation, that means that he is opposed to the presence of a defender during questioning by the police when the arrestee has the status of suspect, and that he agrees with the legal provision under which upon the opening of an inquiry (the suspect becomes the defendant), when testifying before the examining magistrate and prosecutor, the defendant can demand the presence of his defender. "It often happens that both the prosecutor and the examining magistrate tell the defendant that he does not need an attorney, because he will only take his money," says T. Fila.

It used to be possible for the police to keep a suspect in custody for months. Later that period was reduced to seven days, and the 1968 change in the Code of Criminal Procedure left only three days of permitted police detention. Stane Dolanc, the then-chief of the Yugoslav police, reacted furiously with his publicly expressed contention that society had "become intoxicated with democracy." Attorneys say that the time has now come for sobriety from democracy, because the police are quickly stepping up their abuses. "It happens that the police tell a suspect at the end of the third day to leave the jail and show him, for example, where his car is parked, which is interpreted as release from custody, so that after returning from his walk another three-day stay under lock and key is ordered. Using the excuse that they need some other piece of information, the police often request and get the examining magistrate's approval to interview the defendant in pretrial confinement, or to take him to the scene of the crime. In fact, they continue to beat him under the threat of returning if he does not repeat the statement made to the police before the examining magistrate and prosecutor," says Toma Fila, noting that under the law, after interviewing the defendant in pretrial confinement policemen are obligated to draw up an official report and turn it over to the judge, which no policemen remember to do, says Toma Fila. Instead of official reports, defendants or accused people in pretrial confinement often ask for and receive medical certificates about inflicted injuries following "interviews" with the police.

The most recent example is the presentation to the judge of medical findings by two doctors of forensic medicine concerning the injuries, rather large blood suffusions, of a defendant who is being sentenced shortly in Belgrade District Court (the case in Pohorska).

Moving Backward

It is interesting that on the eve of the disintegration of the SFRY [Socialist Federal Republic of Yugoslavia], the provision in the Code of Criminal Procedure on the three-day stay of suspects in SUP [Secretariat of Internal

Affairs] custody was about to be changed. The then-federal committee for the judiciary had accepted a proposal under which after their arrest, suspects should be taken by the shortest possible route (measured in meters) not to the police, but rather straight to the examining magistrate, who would order detention or release the suspect. The parliamentary deputies were supposed to pass the bill, but just then the Slovenes and Croatians walked out of the SFRY Assembly, which subsequently fell apart. Since then, we have increasingly been moving backward, attorneys say. And the situation is worse and worse for suspects and defendants. That should come as no surprise given the fact that, for example, the minister of justice is currently insisting that some provisions of the Criminal Code that the SFRY Constitutional Court declared unconstitutional be reintroduced. That means in practice that the legislative authorities will nullify the Supreme Court's decision. If the state does such a thing, what exactly can citizens be expected to think of such a state?

The general impression of top experts in legal sciences is that our existing penal legislation is far removed from the age in which it must be applied and that our judicial system is in collapse. "Even the government's most radical undertakings cannot avert the complete criminalization of society. We face general chaos," concludes Prof. Dr. Ljubisa Lazarevic, a professor at the School of Law in Belgrade.

Serbia

Parliament Speaker Discusses UN Sanctions

LD2107011694 Belgrade TANJUG in English 2344 GMT 20 Jul 94

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Kosovo

Trial of Seven Albanians Starts in Prishtina

AU2107091394 Tirana TVSH Television Network in Albanian 1800 GMT 20 Jul 94

[Text] Another trumped-up trial against seven Albanian youths has started in Kosova. The Serb Regional Court in Prishtina accuses them allegedly participating in military training in Albania. Here is a telephone report from Mehmet Haziri in Prishtina:

[Haziri] Referring to an indictment by vice public prosecutor Ilica Ivanovic, this group of Albanians, consisting of Emil Estrani, Shkelzen Bajrami, Nexhmedin Sadriu, Luan Heta, Beqir Muleci, Hysni Franca, and Bajram Gallabeni, is charged with undertaking preparatory action to violate the territorial integrity defined in Articles 116 and 138 of the Penal Law of the self-proclaimed Yugoslavia. These persons were arrested in February, March, and April this year, under the disturbing charge of allegedly carrying out military training in a barracks in Albania.

The indictment alleges, among other things, that the accused acted during half of 1992 and in 1993, even though what they are charged with involves no violation of the law and has no basis in fact.

At today's hearing, the defense counsel requested that the statements made before the Serb State Security be withdrawn from the documents and court proceedings as they were obtained as a result of torture. However, the request was turned down by the court, which is made up only of Serbs, with no convincing reason.

The trial will continue tomorrow with the interrogation of the defendants.

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